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United States & Canada

Sino-American Symposium on Women Issues Held

HK0207030790 Beijing RENMIN RIBAO in Chinese
26 Jun 90 p 3

[Report by Yan Dong (7159 0392) and Su Ning (5685 1337): "Li Peng, Deng Yingchao Send Messages Greeting Opening of Sino-American Conference on Women's Issues"]

[Text] Beijing, 25 Jun (RENMIN RIBAO)—More than 400 Chinese and American experts in women's issues from both sides of the Pacific Ocean today gathered in Beijing to attend a four-day Sino-American symposium on women's issues. State Council Premier Li Peng sent a congratulatory message to the conference, saying: "The Chinese Government has always attached great importance to relations with the United States and has cherished the friendship with the American people. To develop friendly relations between China and the United States is the common aspiration as well as common interest of the people of the two countries. Women, who are a strong component of human resources, are a great force in the maintenance of world peace. Making a serious study of the problems of women and solving these problems will contribute significantly to social development and progress."

The symposium on women's issues was jointly sponsored by the All-China Women's Federation and the Trans-World Exchange Company of the United States. The symposium will discuss four special subjects related to women's employment and career progress, health care and life, family and children care, education and training. The Chinese and American participants submitted nearly 10,000 papers to the symposium.

Huang Qizao, vice president and first secretary of the secretariat of All-China Women's Federation and chairman of the Chinese side at the Sino-American symposium, presided over today's opening ceremony. Ganweizhen [3927 4850 3791], chairman of the American side of the Sino-American symposium, delivered a congratulatory speech to the conference. Lei Jieqiong, vice chairman of the National People's Congress Standing Committee; Qian Zhengying, vice chairman of the Chinese People's Political Consultation Conference National Committee; and (Sherry Lilley), wife of U.S. Ambassador to China James Roderick Lilley; attended the opening ceremony. Chinese deputies Luo Qiong and Ma Yuan and American deputies (Jane Possino) and (Mawelin Heath) made speech on special subjects at the meeting.

Deng Yingchao, Kang Keqing, and Chen Muhua send congratulatory letters or telegrams to the symposium.

Pepsi Cola Company Begins Operation in Shanghai

OW2906182390 Beijing XINHUA in English
1413 GMT 29 Jun 90

[Text] Shanghai, June 29 (XINHUA)—The Shanghai Pepsi Cola Beverage Co. Ltd., a cooperative venture between Shanghai and the Pepsi Cola Co. of the United States, went into operation on Thursday in Shanghai.

The cooperative enterprise, occupying 42,000 sq m in Shanghai's Minhang Economic and Technological Development Zone, is the fifth and largest the American soft drink company has established in China.

According to Chen Qiufang, general manager of the new enterprise, Shanghai companies have invested 14 million U.S. dollars in the new enterprise while Pepsi Cola provided the equipment and training needed to produce quality soft drinks.

Initially, the new enterprise will produce bottled Pepsi Cola, Seven-Up, lemon soda water, Mirinda orange juice, and Yikang mineral water for export in addition to the necessary packaging materials.

Sino-U.S. Firm To Make Personal Computers

HK2906124690 Beijing CHINA DAILY in English
29 Jun 90 p 2

[By staff reporter Xiao Ren]

[Text] Liaoning's provincial capital of Shenyang is set to become the computer centre of China.

Under a joint-venture agreement signed on Tuesday, Shenyang Shenlong Computer Systems Limited will produce and sell a new-generation personal computer using U.S. computer company Definicon's SP-II co-processor technology.

"The new computer will be both a PC and a workstation all in one box. The combination will be faster and more competitively priced than what is currently available," said Bernard B. Katz, chairman of the board of Helionetics, in Beijing yesterday.

Definicon is a subsidiary of Helionetics.

He said the new Shenlong computer would permit MS-DOS users to run the thousands of familiar PC software packages.

It would also provide the added capability of running SPARC-based applications at speeds only available in SPARC workstations, all in the same box.

To date no other supplier had been able to offer these capabilities to the PC marketplace.

The total investment of \$1.2 million was shared equally by Definicon International Corporation of the United States and North Computer Application Development Company (NCAD), a designated strategic technology company in Shenyang.

Katz said the 10-term joint venture was expected to produce the first generation of this new computer in spring 1991.

Katz estimated that the potential market for the new computer workstation could range as high as \$200 million over the next five years. Countries suffered from hardships created by imperialists and colonialists and have supported each other in their struggles against them.

After the birth of the People's Republic of China in 1949, diplomatic relations were established in 1950. Then the traditional friendship was further developed with the two countries entering a new era of co-operation.

The first bilateral trade agreement was signed in November 1953, and in April 1955, China sent a government delegation led by late Premier Zhou Enlai to the Bandung Conference held in Indonesia.

Following the signing of a second agreement in November 1956, two-way trade increased to 111 million U.S. dollars in 1959 from 33.6 million U.S. dollars in 1957. A third trade agreement was signed in September 1965.

But diplomatic relations between were then suspended as a result of various causes. However, government heads and many statesmen in both countries felt this was an abnormal state. In the early 1970s, the Indonesian Government expressed a hope for normalization and the Chinese Government has held a positive attitude towards rebuilding and developing good neighbourly relations.

As a result, in spite of the suspended links, indirect trade via ports such as Hong Kong and Singapore showed a steady annual increase. This totalled 240 million U.S. dollars in 1984 alone.

Direct trade was resumed in 1985. By 1989 the two-way trade had reached 920 million U.S. dollars.

In April 1985, a Chinese delegation led by the then Foreign Minister Wu Xueqian attended the celebration of the 30th anniversary of the Bandung Conference in Indonesia. He held talks with his Indonesian counterpart and met with President Suharto.

But the procedure towards normalising relations did not get underway until Suharto and Qian met in Tokyo in February last year. Then it was agreed that the relationship should be based on the Five Principles of Peaceful Coexistence and the ten principles of the Bandung Conference.

After frequent contacts between representatives of both countries at the United Nations, agreements on technical details were reached. Chinese Assistant Foreign Minister Xu Dunxin paid a visit to Indonesia last December and reached a consensus paving the way for the re-establishment of diplomatic relations.

The normalization of relations between China and Indonesia, which are big countries in Asia and belong to the Third World, will exert a positive influence upon the peace and development in Asia.

Soviet Union

CPC Greets Opening of CPSU Congress

OW0207075990 Beijing XINHUA Domestic Service
in Chinese 0620 GMT 2 Jul 90

[Text] Beijing, 2 July (XINHUA)—On behalf of the Communist Party of China, the CPC Central Committee 2 July sends a cable to the 28th Congress of the Communist Party of Soviet Union, which opens today, to convey the heartiest congratulation to CPSU members and the Soviet people, and to wish the congress success.

The cable says: "Since the normalization of relations between our two countries and two parties at the Sino-Soviet summit in 1989, our mutual understanding and friendship have strengthened, and progress has been made in every field of cooperation. This not only conforms with the basic interests of the Chinese and Soviet peoples, but also helps safeguard world peace and stability, and the progress of mankind. We believe that on the basis of the principles of independence, total equality, mutual respect and noninterference in each other's internal affairs, friendly relations and cooperation between the two parties will further consolidate and expand."

The cable adds: "People in the CPC follow with concern the difficult task of construction and reforms undertaken by CPSU people. We sincerely hope that through mutual efforts, you will be able to overcome difficulties and obstacles, and continue to advance along the socialist road. We sincerely wish the Soviet nation prosperity, and the Soviet people happiness."

Further on CPC Greeting

OW0207081790 Beijing XINHUA in English
0651 GMT 2 Jul 90

[Text] Beijing, July 2 (XINHUA)—The Chinese Communist Party Central Committee sent a message of greetings here today to the 28th Congress of the Communist Party of the Soviet Union (CPSU) congratulating the convening of the party congress.

"On the occasion of the convocation of the 28th CPSU Congress, we, in the name of the Chinese Communist Party, extend our heartfelt congratulations to the congress, and through the congress to members of the Soviet Communist Party and the Soviet people, and wish the congress a success," the message said.

"We have seen with pleasure that since the normalization of relations between the two countries and two parties brought about by the Sino-Soviet summit talks in 1989, mutual understanding and friendship between us have been enhanced and cooperation between us in all fields has been further developed. This is not only in line with the fundamental interests of the peoples of China and the Soviet Union, but also conducive to safeguarding world peace and stability and the cause of progress of mankind," the message continued.

"We believe that based on the principles of maintaining independence and keeping the initiatives in our own hands, fully equality, mutual respect and non-interference in each other's internal affairs, the friendly cooperative relations between the parties of China and the Soviet Union will be further strengthened and developed," it added.

"The Communists of the Chinese Communist Party are attentively following the arduous work of construction and reform engaged in by the Communists of the Soviet Communist Party. It is our whole-hearted wish that, through your joint efforts, you will be able to overcome all kinds of difficulties and obstacles to continue advancing along the road of socialism. We sincerely wish the Soviet nation prosperity and the people happiness," the message concluded.

Beijing Police Seek Potential Aeroflot Hijackers

LD0107211590 Belgrade TANJUG in English
1840 GMT 1 Jul 90

[Text] Beijing, July 1 (TANJUG)—The Chinese police has started conduct a search for two Lebanese men in Beijing who are—according to confidential sources—preparing to hijack a Soviet Aeroflot plane flying from Beijing to Moscow. [passage indistinct]

The hijack is believed to be planned as one in a series of hijacks of Aeroflot planes "in relation for," or as an attempt to stop, the further settlement of Soviet Jews in Israel and the occupied territories.

Security measures have been intensified at Beijing airport ahead of the forthcoming Asian games, but also in fear of possible hijacks and sabotages.

Soviet Economic Delegation Visits Guangdong

HK3006035890 Hong Kong ZHONGGUO TONGXUN
SHE in Chinese 1347 GMT Jun 90

["Soviet Economic Reform Delegation Visits Guangdong—ZHONGGUO TONGXUN SHE headline"]

[Text] Guangzhou, 29 Jun (ZHONGGUO TONGXUN SHE)—The Soviet economic reform delegation making its first trip to China has been visiting Guangdong these days, the province that has taken the lead in reform in China.

"The problems you have come across in the economic structure are exactly the same in Moscow. We are all trying to find a solution to them," (Asheklitov) [a xie ke li tuo fu 7093 6200 0344 6849 2094 1133], head of the delegation, concurrently Vice Chairman of the Commission for Improving the Economic Mechanism under the USSR Council of Ministers said with feeling in the wake of their visit of the Shenzhen Special Economic Zone to find out about its reform progress.

The delegation began their visit to Guangdong on 27 June after visiting Beijing and Chongqing, China's key

city of reform. The Soviet guests have shown great interest in Guangdong's establishment of reform organs, and the spread of the joint-stock system, and how to unify the planned economy with market mechanism. (Asheklitov) stated: "We have only one nationwide commission for economic reform in the USSR, but corresponding reformative organs are set up in governments at all levels in China."

The Soviet guests have visited the Guangzhou Brewery that possesses imported Western technology and equipment, and asked in great detail about the enterprise's managerial mechanism, operational way, retained profits, and export of products.

Guangdong Provincial Structural Reform Office Director Yi Zhenqiu [2496 2182 3808] called a forum for the Soviet delegation to discuss with them the malpractices of the centralized planned economy and the channels for reform.

The Soviet delegation is to leave for Shanghai for a visit tomorrow.

PRC Friendship Delegation Visits USSR

OW0207042990 Beijing XINHUA Domestic Service
in Chinese 0550 GMT 28 Jul 90

[By reporter Sheng Shiliang (4141 0013 5328)]

[Text] Moscow, 27 Jun (XINHUA)—At the invitation of the Soviet Committee for Solidarity With Asian and African Countries, a delegation of the Chinese People's Association for Friendship With Foreign Countries headed by Chen Haosu, vice president of the association, has been visiting the USSR since 18 June.

At a meeting with the press here today, Chen Haosu said the visit's purpose is to establish contacts between the Soviet committee and the Chinese association. Since the normalization of Sino-Soviet relations, Chen said, contacts between the two countries have become more frequent, and delegations of the Chinese friendship association and the Soviet committee have exchanged visits five or six times during the first six months of 1990.

In answering a reporter's question, Chen Haosu said that China and the Soviet Union should intensify their economic and cultural exchanges, and that the Chinese People's Association for Friendship With Foreign Countries and the Soviet Committee for Solidarity With Asian and African Countries can cooperate more closely in helping Asian and African people develop their economy and become more independent.

Chen Haosu and his party have met Kapitsa and Tolsitkov, chairman and deputy chairman of the Soviet Committee for Solidarity With Asian and African Countries.

PRC, USSR Hold Forestry Cooperation Talks*OW0207003890 Beijing Domestic Service in Mandarin
0200 GMT 30 Jun 90*

[Text] The minutes of a talk on forestry cooperation between China and the Soviet Union were signed in Harbin City on 28 June. Within the framework of this cooperation, 34 joint ventures are to be established in the Soviet Union. This marks further progress in the existing many-sided forestry cooperation between China's Dongbei forestry zone and the forestry zones of the Soviet Far East and Siberia. Through their cooperation in the forestry sphere, China and the Soviet Union can meet each other's needs.

According to a source, there are more than 60 billion cubic meters of timber reserves in the forestry zones of the Soviet Far East and Siberia, approximately two-thirds of the country's total, awaiting to be exploited and utilized effectively. Meanwhile, there are large numbers of experienced forestry engineers, technicians, and workers, as well as relatively advanced production equipment in China's northeast region. Both the Chinese and Soviet sides are confident of the prospects of cooperation.

PRC Trade Exhibition in Moscow Closes*OW0207033190 Beijing XINHUA in English
0132 GMT 2 Jul 90*

[Text] Moscow, July 1 (XINHUA)—A 10-day China economic and trade exhibition closed here today after receiving 50,000 visitors including government leaders, managers from enterprises, experts and others.

About 189 Chinese participating economic and trade units have won their new clients here and established direct contacts with them. Many Soviet clients have either signed contracts or reached agreements with the Chinese side.

Since the exhibits are not for sale, many visitors showed their disappointment over rich varieties of Chinese products with rubles in hand.

On display here were 5,000 items which included products of electronics, aviation, shipbuilding, machinery and medicines as well as garments, food and varieties of toys.

Negotiations on Project With USSR Continue*OW2906112890 Beijing XINHUA in English
1405 GMT 28 Jun 90*

[Text] Hohhot, June 28 (XINHUA)—Negotiations are under way between the Chinese and Soviet Governments on the second phase of a linen mill in Baotou, Inner Mongolia Autonomous Region, according to regional authorities.

The first phase of the project, built by the Chinese side, went into production in April this year.

The Soviet Union has agreed to invest 80 million yuan (about 17 million U.S. dollars) worth of equipment and materials.

After completion of the second phase in two years, the mill will have 100 looms with the capacity to turn out four million meters of linen cloth a year.

Northeast Asia**State Councilor Li Tieying's Visit to Japan****Leaves for Japan***OW3006055790 Beijing XINHUA in English
0532 GMT 30 Jun 90*

[Text] Beijing, June 30 (XINHUA)—Chinese State Councilor Li Tieying, as the representative of the Chinese Government, left here this morning for Japan to attend the activities marking the "China Day" during the Osaka international flower exhibition, at the invitation of the Japanese Government.

Li will also meet with leaders of the Japanese Government during the visit.

Seeing Li off at the airport were Luo Gan, secretary-general of the State Council, and Japanese Ambassador to China Hiroshi Hashimoto.

Reaffirms Friendly Ties With Japan*OW3006161890 Beijing XINHUA in English
1512 GMT 30 Jun 90*

[Text] Tokyo, June 3 (XINHUA)—China and Japan reaffirmed here today the principle of further developing the friendly relations between them.

On behalf of Japanese Prime Minister Toshiki Kaifu, Chief Cabinet Secretary Misoji Sakamoto told Li Tieying, Chinese state councillor and minister of the State Education Commission, that the two countries should handle problems in bilateral relations according to the principle of developing bilateral friendship from generation to generation.

Li agreed with Sakamoto, saying whatever problems may occur, the two countries should take it as their common task to keep and promote the friendly relations between them.

He added that the current Chinese leaders believe that it is an important part of China's diplomacy to keep and develop Sino-Japanese friendship.

Li arrived here this afternoon at the invitation of the Japanese Government. He will represent the Chinese Government to attend the "Day of China" celebrations at the flower and greenery exposition to be held in Osaka on July 5.

During his stay in Japan, Li will meet with Kaifu and other Japanese leaders.

Meets Chief Cabinet Secretary Sakamoto

OW0207040690 Beijing in Japanese to Japan
1430 GMT 1 Jul 90

[Text] Chinese State Councillor Li Tieying arrived in Japan yesterday on a visit as a representative of the Chinese Government. He had been invited by the Japanese Government. Chief Cabinet Secretary Sakamoto of Japan, acting on behalf of Prime Minister Kaifu, met with him and his party at dinner in the evening, and, representing the Japanese Government, he welcomed the delegation headed by State Councillor Li Tieying.

In the meeting, both sides reviewed the history of developments in Chinese-Japanese relations and arrived at a common understanding that China and Japan must continue their friendly relations for many generations. The two also agreed that the statesmen of the new generation must take over the intent and tradition of their predecessors in advancing Chinese-Japanese friendship.

Chief Cabinet Secretary Sakamoto noted that there can be cloudy days as well as clear days in Chinese-Japanese relations. However, if problems should occur between China and Japan, the two countries must address them appropriately, based on the fundamental principle of friendship, which has long existed in the past.

State Councillor Li Tieying, agreeing with Chief Cabinet Secretary Sakamoto's remarks, said that the leaders of China have made the maintenance of friendly Chinese-Japanese relations an important element of China's diplomatic policies. The maintenance of friendly Chinese-Japanese relations conforms to the common interests of the two countries, he noted.

The two countries must make efforts to establish Chinese-Japanese relations that will not be affected by any winds or tides, he stressed. State Councillor Li Tieying explained that while in Japan, he plans to contact many old friends and that he also would like to make new friends.

State Councillor Li Tieying's party will visit the Chinese section of the International Fair in Osaka on 5 July.

Comments on Sending Students Abroad

OW0207005690 Beijing Domestic Service in Mandarin
2130 GMT 1 Jul 90

[From the "News and Press Review" program]

[Text] Li Tieying, state councillor and concurrently minister in charge of the State Education Commission, who is visiting Japan, cordially met and had a discussion with representatives of Chinese students studying in that country at the Chinese Embassy yesterday.

Li Tieying said: Since the beginning of the policies of reform and opening to the outside world, our country has sent more than 80,000 personnel to study in over 70 countries and regions. The policy of sending students

abroad to study is an important component of our country's general principles and policies of reform and opening to the outside world. The party and the government have always maintained that the overwhelming majority of students studying abroad ardently love the motherland and hope that it thrives and prospers. From now on, we should conscientiously implement the policy of sending students abroad according to our needs, of ensuring their quality, and of studying for the purpose of applying what has been learned. We will continue to send personnel abroad to study.

Li Tieying also briefed the student representatives on China's political and economic situation. He expressed the hope that large numbers of personnel studying abroad would carry forward the national spirit, maintain the integrity of the nation, study hard, return after graduation to China with rich academic achievements, and give full play to their wisdom and intelligence in the drive for the four modernizations of the motherland.

Further on Overseas Study Program

OW0207072390 Beijing XINHUA Domestic Service
in Chinese 0430 GMT 2 Jul 90

[By report Jiang Zhanguo (1203 0594 0948)]

[Text] Tokyo, 1 Jul (XINHUA)—Li Tieying, state councillor and concurrently minister in charge of the State Education Commission, said here today: The policy of sending students abroad to study is an important component of our country's general principles and policies for reform and opening to the outside world, and it will not be changed.

Li Tieying made these remarks while meeting at the Chinese Embassy with representatives of Chinese students studying in Japan.

Li Tieying told the student representatives: Since the beginning of the policies of reform and opening to the outside world, our country has sent more than 80,000 personnel to study in over 70 countries and regions. The party and the government have always maintained that the overwhelming majority of students studying abroad ardently love the motherland and hope that it thrives and prospers. From now on, we conscientiously should implement the policy of sending students abroad according to our needs, of ensuring their quality, and of studying for the purpose of applying what has been learned. We will continue to send personnel abroad to study. Our country's policies of reform and opening to the outside world will remain unchanged, and so will the policy of sending students abroad to study.

Li Tieying said: Following last year's disturbances, some of the students studying abroad took wrong actions or made wrong statements of a general nature because they did not understand the actual state of affairs in our country and were influenced by distorted Western media reportage. Hence, they worry that they will be investigated by the government when they return home for

work or to visit their relatives. Such worries are unnecessary. The party and the government will forgive their past misdeeds; furthermore, we warmly welcome them to return home to work, study, or visit their relatives, guarantee their freedom to come and go, and provide conveniences for them provided they are willing to abide by the Constitution and laws of the country. Even for those who have participated in reactionary organizations, we also welcome them to return to China provided they realize their mistakes, show repentance, break away from such reactionary organizations, and no longer carry out activities to oppose and subvert the People's Republic of China. For various reasons, personnel ask to extend their time for their advanced studies abroad. Their reasonable requests will be rationally granted. Li Tieying arrived here yesterday for a seven-day visit at the invitation of the Japanese Government.

Sino-Japanese Friendship Meeting Held

OW3006083790 *Beijing in Japanese to Japan*
0930 GMT 27 Jun 90

[Text] The sixth meeting of the 21st Century Committee for Sino-Japanese Friendship opened in Beijing on the afternoon of 26 June. In this program, we will introduce to you a summary of the keynote speech by Zhang Xiangshan, chairman of the Chinese side.

In his keynote speech, Mr. Zhang Xiangshan stated that the committee's major historic responsibility is to study Sino-Japanese friendship in the 21st century. After reviewing Sino-Japanese relations in the past six years since the committee's inauguration, he stated as follows:

As proved by practices, it certainly would benefit greatly both countries should China and Japan get along well with each other. Both sides would suffer damages if barriers should be kept between the two countries. No matter what happens to China or Japan in the future, the major principle concerning Sino-Japanese friendship must not and should not be changed. Both China and Japan are Asian powers. At the same time, we have different social systems.

Changes in the post-war international relationship have proven that it is not wise to form a policy only on bilateral relationships in light of the differences or similarities in social systems and ideologies. Throughout the 1990's, our two countries must continue in our efforts to remain on friendly terms by overcoming differences in social systems and in concepts about values and on the basis of the Five Principles of Peaceful Coexistence to develop further the everlasting, stable, friendly, and cooperative ties between China and Japan.

Then, Mr. Zhang Xiangshan continued as follows:

The Sino-Japanese Joint Declaration and the Sino-Japanese Treaty on Peace and Friendship are fundamental principles to [word indistinct] the relationship between the two countries, and they are the international obligations that our two nations have agreed to fulfill.

These principles serve as the political foundation for Sino-Japanese relations, and are bases for judging right or wrong in matters concerning the bilateral relationship. If serious problems that may obstruct or even destroy the development of bilateral ties should arise between our two countries, we earnestly and sincerely should deal with them so that promises are kept and action is resolute, and so that we can solve these problems through friendly discussion.

Moreover, touching on the economic cooperation between the two countries, Mr. Zhang Xiangshan stated as follows:

Since the normalization of diplomatic ties, China and Japan have made significant progress in economic and technological cooperation and have brought about good political results. At the same time, however, the cooperative relationship between our two countries has not yet reached a satisfactory level in terms of its depth and extent. Also, we should not avoid admitting that there were some artificial obstacles. Because of such artificial obstacles, Sino-Japanese cooperative relations in the economic and technological fields have been hindered seriously. We must make efforts to eliminate them.

Then, concerning the significance of the future Sino-Japanese relationship, Mr. Zhang Xiangshan explained as follows:

Strengthening coordination in practical international affairs is a new task to which both China and Japan should attach great importance in the process of handling bilateral relations in the 1990's. In the 1990's, the international situation most likely will abound in changes and upheavals and will become unstable. Because our two nations are the major countries in the Asia-Pacific region, our slightest actions will have an important impact on the practical international affairs.

From a broader viewpoint, that is from the Asia-Pacific or the global standpoints, we must appraise further the significance of Sino-Japanese friendly and cooperative relations and strengthen the coordination and cooperation in the Asian-Pacific region and in practical international affairs as well. To strengthen coordination and cooperation in practical international affairs, we must adhere to the two major principles, namely, the promotion of peace and prosperity and the Five Principles of Peaceful Coexistence.

This is what Mr. Zhang Xiangshan has stated.

Li Peng Speaks

OW3006123590 *Beijing XINHUA in English*
1212 GMT 30 Jun 90

[Text] Beijing, June 30 (XINHUA)—Chinese Premier Li Peng met today in Beijing with Chinese and Japanese representatives of the sixth meeting of the 21st Century Committee for Sino-Japanese Friendship.

China's chief representative, Zhang Xiangshan, and Japan's chief representative, Tadao Ishikawa, briefed Li on the meeting, which closed yesterday, and forwarded suggestions from the representatives.

On behalf of the Chinese Government and the Chinese people, Li thanked the representatives for their active efforts to develop Sino-Japanese friendship and cooperation.

Li called the meeting a success and said it was of great significance in promoting the development of friendly Sino-Japanese cooperation, especially in overcoming current difficulties in Sino-Japanese relations.

Li said the Chinese Government will enthusiastically support the constructive suggestions made by the representatives.

Li, briefing the representatives on China's political and economic situation, said that China, as a developing country with a population of 1.1 billion, needs a strong collective leadership. The past year has proved that China's central collective leadership with Jiang Zemin as its core is strong and united, he said.

This collective leadership, Li said, guarantees China's modernization programs and enables the country to maintain long-term political, economic and social stability, and to overcome all difficulties. With its collective leadership, Li said, China is better able to accomplish its tasks.

Li told the representatives that China's economic rectification program has achieved tangible results and will create better conditions for the country's steady, coordinated economic growth.

On Sino-Japanese relations, Li said, "We thank the Japanese Government and private citizens for their efforts to develop Sino-Japanese relations. We hope that the Japanese Government will take more resolute steps."

Turning to China's domestic policies, Li said, "As the whole country's political and economic situation is becoming more stable, we have taken a series of lenient policies toward those people who took part in last year's turmoil. Our aim is to unite with all people who can be united with to promote our modernization programs. When we talk about unity, we should adhere to our principles and not to yield to wrong doings."

According to the friendship committee spokesman, the Chinese and Japanese representatives reaffirmed that developing friendly, cooperative Sino-Japanese relations is in the fundamental interest of the two peoples and beneficial for the peace, stability and development of the world.

The spokesman said concern was expressed at the meeting over the difficulties now existing in the two countries' relations. Both the Chinese and Japanese representatives agreed to make joint efforts to restore the two countries' relations as early as possible, he said.

Further on Speech

*OW0207015990 Beijing in Japanese to Japan
0930 GMT 1 Jul 90*

[Text] Premier Li Peng said that he hopes the Japanese Government will take bold steps to promote the development of Chinese-Japanese relations. He made the remark yesterday when meeting with both Chinese and Japanese delegates participating in the sixth meeting of the China-Japan 21st Century Committee at the Great Hall of the People.

Premier Li Peng said that this meeting was successful, stressing that this is important for the further development of Chinese-Japanese relations, particularly for overcoming difficulties existing in bilateral relations.

Premier Li Peng then praised members of the ruling and opposition parties and other people in Japan for their active efforts to develop bilateral relations.

Touching on the domestic situation in China, Premier Li Peng said that the central leadership group centering around General Secretary Jiang Zemin is unified and maturing. Such a leadership is a basic guarantee for the smooth carrying out of various projects. He said that, because of this, China will be able to maintain long-term political, economic, and social stability. He stressed that the whole party and the whole people of the nation must support the leadership.

While speaking about domestic policies, Premier Li Peng said that, in view of the stability achieved in the political and economic situations, the Chinese Government is instituting a series of magnanimous measures for some people who have committed mistakes in the past. The government seeks to unify all those forces that are willing with the government's objectives, and to push the four national modernization programs. The unity referred to by the government is one based on principles, and is not an unprincipled compromise with wrongdoings, he said.

Vice Premier Wu Xueqian Meets Japanese Guests

*OW3006083190 Beijing XINHUA in English
0723 GMT 30 Jun 90*

[Text] Beijing, June 30 (XINHUA)—Chinese Vice-Premier Wu Xueqian met here today with Japanese political critic Hayasaka Shigezo, and his party.

Shigezo used to be secretary of former Japanese Prime Minister Tanaka Kakuei and visited China many times.

The Japanese guests have been here at the invitation of the China-Japan Friendship Association.

Guo Hongqi Meets With Japanese Economic Group

*SK3006015790 Shijiazhuang HEBEI RIBAO
in Chinese 5 Jun 90 p 3*

[Excerpt] On the evening of 4 June at the provincial Foreign Affairs Office, Guo Hongqi, vice governor of the

province, met with the 11 members of the 12th visiting group of Japan's Nagano Prefectural economic circle, headed by Mr. (Okumura Kodeo).

The group, dispatched by the Nagano Prefectural Japanese-Sino Economic Exchange and Promotion Association, is visiting China at the invitation of the Chinese Trade Promotion Association. The prefectural association is a nongovernmental organization and sends a visiting group to China every year. The association has done much work to develop the friendship between China and Japan and promote the economic and trade exchanges between the two sides. [passage omitted]

Japan Provides Relief Aid for Hunan Province

OW2906181990 Beijing XINHUA in English
1216 GMT 29 Jun 90

[Text] Beijing, June 29 (XINHUA)—The Japanese Government is providing disaster relief for southern Hunan Province, still struggling to recover from a devastating flood that left 264 deaths and 3,297 injuries in its wake.

Japan is sending 177,000 U.S. dollars worth of aid, including tents, water treatment equipment, electrical generators, blankets, medicine and medical equipment.

The first of three aid shipments arrived here today and was transferred to the Chinese Government in a ceremony at Beijing airport.

Since early June this year, two major torrential rains have hit southern Hunan Province, destroying 66,000 houses and leaving nearly 74,500 homeless.

By June 23, according to a provincial government report, the flood had inundated a 1.07-million-hectare area, causing direct losses of 1.658 billion yuan in a rural area with a population of 19.89 million.

Southeast Asia & Pacific

Indonesian Foreign Minister Ali Alatas Visits

Alatas Arrives

OW0107062590 Beijing XINHUA in English
0555 GMT 1 Jul 90

[Text] Beijing, July 1 (XINHUA)—Indonesian Foreign Minister Ali Alatas and his wife arrived here this afternoon to pay an official visit to China at the invitation of Chinese Foreign Minister Qian Qichen.

This is the first official visit to China by an Indonesian foreign minister in 23 years.

During his three-day stay in Beijing, Alatas will hold talks with his Chinese counterpart on the resumption of diplomatic ties between China and Indonesia, the Cambodian issue and other international issues.

China and Indonesia established diplomatic ties in 1950. Due to some complicated historical causes, the diplomatic ties between the two countries were suspended in mid-60s.

Chinese Foreign Minister Qian Qichen and his wife greeted the Indonesian guests at the airport today.

Envoys and representatives from countries of the Association of Southeast Asian Nations to China were also on hand.

Further on Alatas Arrival

BK0107103190 Beijing International Service
in Indonesian 0830 GMT 1 Jul 90

[Text] Indonesian Foreign Minister Ali Alatas and his wife arrived in Beijing by plane at about 1200 West Indonesian Time [0500 GMT] today to begin a four-day official visit to the PRC to complete the final stage of the normalization process of Sino-Indonesian diplomatic relations.

Foreign Minister Qian Qichen and Vice Foreign Minister Xu Dunxin welcomed the Indonesian visitors at the airport. Members of diplomatic corps from Malaysia, Thailand, and the Philippines as well as Singapore trade representatives were also at the airport.

Minister Alatas is the first Indonesian foreign minister to visit the PRC in the last 23 years. During his visit to the PRC, Minister Alatas will hold talks with Minister Qian Qichen on the normalization of diplomatic relations and matters of mutual interest.

Through friendly consultations and joint efforts by the two sides, the issue of Indonesia's debt to the PRC has been settled. This has paved the way toward the normalization of bilateral diplomatic relations.

Holds First Round Talks With Qian

OW0107135590 Beijing XINHUA in English
1331 GMT 1 Jul 90

[Text] Beijing, July 1 (XINHUA)—Chinese Foreign Minister Qian Qichen and his Indonesian counterpart, Ali Alatas, held formal talks here this afternoon, focusing on the Cambodia issue.

At the beginning of the talks, Qian extended a warm welcome to Alatas on behalf of the Chinese Government, wishing his visit a success.

Alatas described the main purpose of his visit as to continue the Sino-Indonesian negotiation process of restoring diplomatic ties and to discuss international and regional issues of common concern.

In today's talks, the two foreign ministers focused on the Cambodia problem with an indepth exchange of views. Both emphasized a complete settlement of the issue.

Alatas said both Indonesia and China are committed to a political solution of the Cambodia issue.

The basic spirit of the Paris international conference is that the Cambodia issue must be solved in a complete manner, a cease-fire must be associated with a complete settlement and vigilance must be kept against the danger of partial solution, he recalled.

Qian expressed appreciation for Alatas' efforts towards a political settlement of the Cambodia issue, saying that China and Indonesia share many common points on the issue.

He voiced approval with Alatas' view that the Cambodia issue must be solved in a complete manner, saying any partial solution, instead of leading to a genuine settlement, will only leave many future problems.

Qian hoped that the Cambodia issue will be solved in a complete way within the framework of the Paris international conference.

The two foreign ministers are scheduled to hold talks again tomorrow.

Further on First Round Talks

HK0207052590 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 2 Jul 90 p 1

[Report by Sun Yi (1327 3015): "Qian Qichen Fetes Alatas, Says Conditions Are Ripe and It Is Opportune and Time for China and Indonesia To Restore Diplomatic Relations"]

[Text] Beijing, 1 Jul (RENMIN RIBAO)—Foreign Minister Qian Qichen this afternoon held the first round of official talks with Indonesian Foreign Minister Ali Alatas at the Diaoyutai National Guesthouse, and both sides mainly exchanged opinions on the Cambodian issue in a friendly atmosphere.

Foreign Minister Alatas arrived in Beijing this afternoon at the invitation of Foreign Minister Qian Qichen. Foreign Minister Qian met the guest at the airport. Thai, Philippine, Malaysian, and Singapore diplomatic envoys to China, or their deputies, also met the Indonesian foreign minister at the airport.

This evening, Foreign Minister Qian Qichen held a banquet at the Diaoyutai National Guesthouse in honor of Foreign Minister Alatas and his entourage.

In his toast, Foreign Minister Qian Qichen said that in February last year, President Suharto and he met in Tokyo and both sides agreed to base the restoration and development of bilateral relations on the Five Principles for Peaceful Coexistence and the 10 principles worked out by the Bandung Conference. Both sides also announced the beginning of the process of normalization of relations between the two countries. After that, officials of the two countries successively conducted resultful talks on the technical issues related to the restoration of diplomatic relations between the two countries. At present, the conditions for restoring Sino-Indonesian diplomatic relations are ripe and it is an

opportune moment for that, as everything is ready. He said: The great significance of Foreign Minister Alatas' current visit lies in its indication that through our joint efforts, the process of Sino-Indonesian relations normalization of historic significance will be accomplished. Qian Qichen said: The realization of relations normalization between China and Indonesia is not only in line of the wishes and interests of our two countries and two peoples, but makes a new contribution to peace and development in Southeast Asia and Asia as a whole. He said: The ASEAN countries are China's neighbors, with the realization of relations normalization between China and Indonesia, friendly and cooperative relations between China and other ASEAN countries will certainly enter a new period of all-around development.

Alatas said: His current visit indicates the end of the past and the beginning of a new process. He said: The primary purpose of his current visit to Beijing is to discuss and make preparations for the final procedures for restoring normal relations between our two countries and two governments as our both sides expected. He said, after the Tokyo meeting last year, we have conducted resultful discussions on some technical issues, thus making the necessary preparations for the all-around restoration of the normal relations between our two countries. I gladly agree with Foreign Minister Qian's opinion that the road has been opened, and we will be able to restore our relations according to the above-mentioned principles.

Second Round Talks

BK0207095190 Beijing International Service in Indonesian 0830 GMT 2 Jul 90

[Text] PRC Foreign Minister Qian Qichen and Indonesian Foreign Minister Ali Alatas held a second round of talks at the Diaoyutai Guest House in Beijing at about 1300 West Indonesian Time [0600 GMT] this afternoon. The two ministers held their first round of talks yesterday afternoon.

In yesterday's talks, Minister Qian Qichen, on behalf of the PRC Government, extended a warm welcome to Minister Alatas. Minister Qian Qichen said Minister Alatas was the first Indonesian foreign minister to make an official visit to the PRC in the last 23 years, since diplomatic relations had been frozen. Qian Qichen also wished success for Alatas' current visit.

Minister Alatas said he was very grateful for the warm welcome extended by the PRC side, adding that the main objective of his visit was to resume talks on the normalization of the Sino-Indonesian diplomatic relations and to exchange views on international and regional issues of mutual interest.

During the talks at the Diaoyutai Guest House, the two foreign ministers exchanged views on the Cambodian problem. Minister Alatas said Indonesian and the PRC had exerted their best efforts to solve the problem. The Indonesian foreign minister stressed that the spirit of the

International Conference on Cambodia in Paris last year was that the Cambodian problem must be solved in a comprehensive manner. Any cease-fire must be related to the comprehensive settlement of the problem, and people must understand the danger of a partial solution.

Minister Qian Qichen expressed his appreciation for the efforts exerted by Minister Alatas to seek a political solution to the Cambodian problem. Minister Qian said the PRC and Indonesia have many common views about solving the Cambodian problem. The PRC foreign minister shared Minister Alatas' view that the Cambodian problem must be solved in a comprehensive manner. He said a partial solution would not truly solve the Cambodian problem, and would instead create many dangers. Qian Qichen expressed his hope that a comprehensive solution to the Cambodian problem can be found in the framework of the Paris International Conference.

Accompanied by (Zhang Zhing), vice director of the Asian Affairs Division of the PRC Foreign Ministry, this morning Minister Alatas, his wife, and their entourage visited the athletic camp for the 11th Asian Games and a Chinese musical ensemble. At the athletic camp, Minister Alatas expressed his confidence that the 11th Asian Games would be a success. The Indonesian foreign minister wrote in the visitors' book: I am very impressed with the preparation of the 11th Asian Games. May the Beijing Asian Games be successful!

When the entourage visited the musical ensemble, the Chinese artists gave a special performance of Asian, African, and Latin America dances and songs. After that, they also sang Indonesian songs and played Indonesian musical instruments for their Indonesian guests.

Minister Alatas said he was very happy that the Indonesian musical instruments, donated by the Indonesian Government in the early 1960's, are still in good condition. He pointed out that cultural exchanges between the two countries will be further enhanced after the normalization of diplomatic relations.

Qian Cited on Sino-Indonesian Ties

OW0107141090 Beijing XINHUA in English
1356 GMT 1 Jul 90

[Text] Beijing, July 1 (XINHUA)—Chinese Foreign Minister Qian Qichen said here this evening that the conditions and time for restoration of the Sino-Indonesian diplomatic relations are already ripe.

In his toast at a banquet hosted for Indonesian Foreign Minister Ali Alatas and his party, Qian said Alatas' visit to China is of great significance in the growth of the Sino-Indonesian relations.

Qian said that the process of restoring diplomatic ties between China and Indonesia will be completed through joint efforts of the two countries.

Recalling his interview with Indonesian President Suharto in February, 1989, Qian said both sides agreed

to take the Five Principles of Peaceful Coexistence and the ten principles of the Bandung Conference as the basis for restoring and developing the relations between the two countries.

The normalization of the Sino-Indonesian relations does not only tally with the desire and interests of the peoples of the two countries, but also makes new contributions to the peace and development in Southeast Asia and Asia as a whole, he said.

Alatas said his visit means ending the past, thus opening up a new course of progress.

Both Indonesia and China have decided to restore and develop the enormous potentials in their relations, tapping the potentials to the fullest extent, he said.

The Five Principles of Peaceful Coexistence have always been and will continue to be the corner stone for developing state to state relations, he added.

WEN WEI PO Editorial

HK3006055490 Hong Kong WEN WEI PO in Chinese
30 Jun 90 p 2

[Editorial: "Indonesian Foreign Minister's Visit to China and China's Foreign Relations"]

[Text] The Indonesian foreign minister is to visit Beijing on 1 July. This marks the final stage of the efforts of Indonesia and China to resume diplomatic ties. After the resumption of diplomatic ties between Indonesia and China, Singapore will also establish diplomatic ties with China. Meanwhile, as Saudi Arabia has already exchanged commercial representative offices with China and Sino-Saudi Arabian relations have been constantly developed these years, the establishment of diplomatic ties between the two countries is also within sight.

After the "Beijing contretemps," some people believe China is isolated and no longer "has friends all over the world." In fact, the remark that "we have friends all over the world" was made by the late Chinese leader, Chairman Mao Zedong, in the 1960's. At that time, China was facing a campaign of containment in the international community, and the United States continued to obstruct China from resuming its membership in the United Nations. China, for its part, held high the banner of the Five Principles of Peaceful Coexistence and took every opportunity to make as many friends as possible, establishing an international united front together with Asian, African, and Latin American countries. With the support by Asian, African, Latin American, and other countries, China at last resumed its membership in the United Nations in 1971. Today, China not only serves as one of the five permanent members of the UN Security Council but is also maintaining diplomatic ties with 137 countries, playing an active role in promoting friendly ties with the people of all nations and in safeguarding world peace. Today, China is maintaining diplomatic ties with many more

countries than it did in the 1960's. Since China could well proudly say "we have friends all over the world" in the 1960's, is it not true that it can still rest more assured of this now?

China has a population of 1.1 billion which accounts for one-fourth of the world's population. In handling world affairs, China has safeguarded peace, set store in friendship, upheld justice, opposed hegemonism, emphasized equality among all nations, big or small alike, and adhered to the principle of noninterference in each other's internal affairs and mutual nonaggression. These words and deeds of China have been appreciated and supported by most countries. World affairs cannot go without China's participation. Even some Western countries that pledged to apply "sanctions" against China last year cannot but admit that the policy to isolate China is without reward. In fact they cannot possibly really isolate China either.

Although some Western countries last year did pledge to sever contact with China at and above the ministerial level, both the United States and the U.K. have sent special envoys to visit China and have kept in touch with China. This indicates that they cannot ignore China's existence in practical politics. Meanwhile, the vast majority of Asian, African, and Latin American countries have continued diplomatic contact and promoted friendship and cooperation with China, paying little attention to the attitude of the United States and its allies.

It is based on the consideration of the following facts that Indonesia has mended its pace in seeking resumption of diplomatic ties with China after the "Beijing contretemps": "Indonesia has already had its expectations satisfied, namely, neither side is interfering in the other's internal affairs, at the governmental or nongovernmental level or in regard of the operation of political parties." As its economy develops, Indonesia is eagerly looking forward to promoting trade with China with 1.1 billion population, with a view to gaining in economic strength. Therefore, Mardiono, Indonesian minister of state for secretary, said: "Nothing can stop the normalization of relations between Indonesia and China." China appreciates Indonesia's stance on this issue. So the process of resumption of diplomatic ties has been speeded up.

Indonesia is a large country with a population of 170 million, and China is Indonesia's third largest export market, next only to Japan and the United States. After the resumption of diplomatic ties, not only will economic cooperation be strengthened between China and Indonesia, but will it be possible for the two countries to work together to seek solutions to many problems facing Asia and to promote peace in this region.

Singaporean Premier Goh Chok Tong believes that the normalization of relations between China and Indonesia will further enhance stability in Southeast Asia. Now that protectionism is on the upsurge in the world, the ASEAN countries will expand trade with China in an

effort to boost regional development. It will be a natural development that Singapore will follow Indonesia to establish diplomatic ties with China.

As an important member of the OPEC, Saudi Arabia holds that strengthening political and economic ties with China is of positive significance to closer relations between the Middle East and the Far East.

Asian countries are all pursuing peace and development and they regard China as a reliable partner. The fact that Indonesia, Singapore, and Saudi Arabia are actively seeking to establish diplomatic ties with China is a reflection of this trend.

XINHUA Roundup

OW0107140590 Beijing XINHUA in English
1341 GMT 1 Jul 90

["Roundup: New Beginning in Sino-Indonesian Relations (by Zhao Jinchuan)"]—XINHUA headline]

[Text] Beijing, July 1 (XINHUA)—A four-day official visit by Indonesian Foreign Minister Ali Alatas to Beijing, which began today, marks a new beginning in relations between his country and China.

During the visit, the foreign ministers of the two countries will discuss a date for and steps towards normalization of the relations.

It is the first visit by a high-ranking Indonesian official to China since the suspension of diplomatic relations between the two countries 23 years ago.

The efforts to resume normal relations conforms to the historical trend of the times for peace and development. In keeping with the basic interests of the two people, they have attracted wide attention around the world.

The relationship between the two countries goes back to ancient times, with records of trade beginning in China's Han Dynasty (206 B.C.-220 A.D.). The increasing exchanges that followed in many fields such as arts, culture and religion, have resulted in the people of the two countries learning a great deal from each other.

In modern history, both countries suffered from hardships created by imperialists and colonialists and have supported each other in their struggles against them.

After the birth of the People's Republic of China in 1949, diplomatic relations were established in 1950. Then the traditional friendship was further developed with the two countries entering a new era of co-operation.

The first bilateral trade agreement was signed in November 1953, and in April 1955, China sent a government delegation led by late Premier Zhou Enlai to the Bandung Conference held in Indonesia.

Following the signing of a second agreement in November 1956, two-way trade increased to 111 million

U.S. dollars in 1959 from 33.6 million U.S. dollars in 1957. A third trade agreement was signed in September 1965.

But diplomatic relations between were then suspended as a result of various causes. However, government heads and many statesmen in both countries felt this was an abnormal state. In the early 1970s, the Indonesian Government expressed a hope for normalization and the Chinese Government has held a positive attitude towards rebuilding and developing good neighbourly relations.

As a result, in spite of the suspended links, indirect trade via ports such as Hong Kong and Singapore showed a steady annual increase. This totalled 240 million U.S. dollars in 1984 alone.

Direct trade was resumed in 1985. By 1989 the two-way trade had reached 920 million U.S. dollars.

In April 1985, a Chinese delegation led by the then Foreign Minister Wu Xueqian attended the celebration of the 30th anniversary of the Bandung Conference in Indonesia. He held talks with his Indonesian counterpart and met with President Suharto.

But the procedure towards normalising relations did not get underway until Suharto and Qian met in Tokyo in February last year. Then it was agreed that the relationship should be based on the Five Principles of Peaceful Coexistence and the ten principles of the Bandung Conference.

After frequent contacts between representatives of both countries at the United Nations, agreements on technical details were reached. Chinese Assistant Foreign Minister Xu Dunxin paid a visit to Indonesia last December and reached a consensus paving the way for the re-establishment of diplomatic relations.

The normalization of relations between China and Indonesia, which are big countries in Asia and belong to the Third World, will exert a positive influence upon the peace and development in Asia.

PRC-Indonesian Ties Reviewed

OW0107125990 Beijing XINHUA Domestic Service
in Chinese 0906 GMT 1 Jul 90

[By XINHUA reporter Zhao Jinchuan (6392 6855 1557)]

[Text] Beijing, 1 Jul (XINHUA)—Indonesian Foreign Minister Ali Alatas is to begin a four-day visit to China from 1 July. The foreign ministers of the two countries will discuss the timetable and method for normalizing relations.

This is the first visit to China by a senior Indonesian official since the two countries suspended diplomatic ties 23 years ago. Mass media at home and abroad have shown a great interest in the efforts of the Chinese and

Indonesian governments to normalize their relations in conformity with the international trend for peace and development and in line with the vital interests of the peoples of the two countries.

Sino-Indonesian relations date back to ancient times. Trade between the two countries was recorded as early as in China's Han Dynasty. In the 15th century, the great Chinese navigator Zheng He sailed to the western ocean on seven trips and opened up the ocean silk road. During the trips, Zheng He landed on Java, Sumatra, and other places in Indonesia, and established direct links with the Indonesian people. The peoples of the two countries learned each other's religion, culture, and arts to enrich their own civilization.

In modern times, both China and Indonesia suffered from hardships caused by imperialism and colonialism. The peoples of the two countries cared for and supported each other during their protracted struggles against imperialism and colonialism.

In 1945, Indonesia won independence. In 1949 the PRC was born. Indonesia immediately established formal diplomatic ties with China in 1950. Thereafter, the two countries developed their traditional friendship on a new foundation and ushered in a new era of friendly cooperation. In November 1953, the Chinese and Indonesian Governments signed the first trade agreement. In April 1953, the late Premier Zhou Enlai led a Chinese Government delegation to the famous Afro-Asian Conference in Bandung. The Bandung Conference not only stimulated the development of the movement for independence in Afro-Asian countries and strengthened their unity and cooperation, but also promoted a comprehensive growth of friendly cooperation between China and Indonesia in the political, diplomatic, and economic fields. Following the signing of the second trade agreement in November 1956, bilateral trade volume rose from U.S.\$33.6 million in 1957 to U.S.\$111 million in 1959. In September 1966, the two countries signed the third trade agreement and a new payment agreement. Due to various reasons, diplomatic relations between the two countries were suspended in October 1967.

Following the suspension of diplomatic ties, leaders of the two governments and many far-sighted statesmen deemed that prolonged alienation between the two countries was not normal. In the early 1970's, the Indonesian Government expressed a desire to normalize relations. The Chinese Government always assumed a positive attitude toward resuming and developing good-neighborly friendship with Indonesia. Still more, the Chinese and Indonesian peoples hoped that normal exchange could be resumed as soon as possible. Therefore, despite suspension of diplomatic ties, the two countries continued and gradually increased their indirect trade through Hong Kong, Singapore, and other places. According to statistics, indirect trade volume between the two countries reached U.S.\$240 million in 1984. During this period, cultural and sports exchange between the two countries also grew.

In October 1984, leaders of the Indonesian Government expressed time and again the willingness to launch direct trade with China. The two countries resumed direct trade in 1985 through joint efforts by the two governments and they became important trade partners to each other. Bilateral trade volume increased from U.S.\$610 million in 1987 to U.S.\$920 million last year. It reached U.S.\$211.5 million in the first quarter of this year.

In April 1985, the then Foreign Minister Wu Xueqian led a Chinese Government delegation to attend commemorative activities on the 30th anniversary of the Bandung Conference. He held talks with the Indonesian foreign minister and was received by President Suharto. On 23 February 1989, President Suharto met with Chinese Foreign Minister Qian Qichen in Tokyo and agreed on three points. The two sides agreed to take further measures to normalize relations; the two sides held that bilateral relations should be founded on the Five Principles of Peaceful Coexistence and the 10 principles of the Bandung Conference; and discussion on normalization of relations should be held through their respective delegates to the United Nations. The Tokyo meeting marked the official start of the process to normalize relations between the two countries.

So far, the Chinese and Indonesian UN delegates have met several times to discuss agreements on debts and technical problems. Last December, Xu Dunxin, assistant to the Chinese Foreign Minister, visited Indonesia. The two sides agreed on a number of questions, thereby paving the way for official resumption of relations between the two countries.

Both China and Indonesia are major Asian countries and belong to the Third World. Normalization of the relations between the two countries will surely produce a positive influence on the peace and development in Asia.

Article Hails Visit

OW3006085090 Beijing XINHUA in English
0609 GMT 30 Jun 90

[Text] Beijing, June 30 (XINHUA)—The "PEOPLE'S DAILY", China's leading newspaper, calls the forthcoming visit to China by Indonesian Foreign Minister Ali Alatas "a great event in Sino-Indonesian relations".

This is contained in an article entitled, "Sino-Indonesian Relationship Marching Toward Normalization", to appear tomorrow.

As early as 1950 China and Indonesia established diplomatic relations. But in 1967 the ties were suspended.

The article says that, along with the economic development and the enhancement of the international status of the two countries, the restoration of diplomatic ties has long been their common aspiration. "It is also the demand of the times and a historical necessity."

It says that on February 23, 1989, Indonesian President Suharto and Chinese Foreign Minister Qian Qichen met

in Tokyo and decided that the two countries would take measures to normalize their diplomatic relations on the basis of the Five Principles of Peaceful Coexistence and the ten principles of the Bandung conference, thus opening the door to the restoration of diplomatic relations.

The author of the article, Fu Ying, traveled with Chinese Assistant Foreign Minister Xu Dunxin to Jakarta last December for consultations on the technical issues concerning the restoration of diplomatic relations between the two countries.

The two sides reviewed agreements and treaties they had previously signed and exchanged views on the technical issues of unpaid debts, dual nationality and the rebuilding of residences, Fu recalled.

After the Jakarta consultations the Chinese and Indonesian sides held talks on the debt problem in March and May this year in Beijing and Hong Kong, respectively, reaching agreement on the issue. By then, the political principles and technical issues for the restoration of diplomatic relations had been settled.

During Alatas' upcoming visit—the first official visit by an Indonesian official to China after a 20-odd-year suspension of diplomatic relations—the two sides will further discuss normalization of their relations, the article says.

"We expect the restoration of diplomatic relations to open up broad prospects for the traditional friendship between the two peoples and co-operation and exchanges between the two countries," the article concludes.

DK Party Makes Cambodian Settlement Proposal

OW3006180390 Beijing XINHUA in English
1342 GMT 30 Jun 90

[Text] Bangkok, June 30 (XINHUA)—"Only a comprehensive political settlement will bring lasting peace and stability to Cambodia and such a settlement must be carried out within the framework of the May 26 summary of conclusions of the UN Security Council's five permanent members."

This was stated by the Democratic Kampuchea [DK] party (side) in its new proposal issued here today for a peaceful settlement of the Cambodian issue.

The proposal dwelt on the UN role in Cambodia, the foreign troop withdrawal, the ceasefire and elections in Cambodia.

On the UN role in Cambodia, the proposal said: "The UN peacekeeping force must control and supervise the withdrawal from Cambodia of all categories of foreign forces and their weapons and their non-return to the country."

"The withdrawal of all foreign forces from Cambodia must be completed within 60 days from the date of the

signing of the agreement on a comprehensive political settlement" and "the ceasefire shall take effect completely and simultaneously for the warring forces throughout Cambodia 72 hours after the signing of the same agreement," the proposal said.

"The UN peacekeeping force shall immediately set up their headquarters either in Phnom Penh or in Battambang or Siemreap, 72 hours after the ceasefire takes effect (that is 144 hours after the signing of the agreement on a comprehensive political settlement), so as to start its mandate of control and verification of the implementation of the comprehensive agreement, with the participation of the Vietnamese representatives and the representatives of the four Cambodian parties in the control and verification process," it said.

In order to ensure a peaceful transition, prevent the outbreak of civil war and assure the internal security conducive to free and fair elections, there must be the UN peacekeeping force to control and verify the disarming and dissolution of all the armed forces of the four Cambodian factions, which shall not exceed 60 days from the date of the entry into force of the agreement on a comprehensive political settlement, the cessation of outside military aid to the four factions and the locating and confiscating of caches of weapons and military supplies throughout the country, it said.

To restore peace and security in Cambodia and to enable the Cambodian people to exercise their sacred right to self-determination through free and fair elections, it is necessary to set up a Cambodian quadripartite interim authority in which the four Cambodian parties shall be on equal footing, it said.

The proposal said that the supreme interim authority during the transitional period shall be the Supreme National Council (SNC) with Samdech Norodom Sihanouk as its head.

It said, there shall be the representatives of the four Cambodian parties, on equal footing, from top to bottom, in the SNC and all the ministries as well as at the provincial, district, commune and village levels.

The SNC shall represent Cambodia at the United Nations and on the international arena, and run the affairs of the country, it said.

On the election issue, the proposal said free and fair elections shall be held within the framework of a comprehensive political settlement and under conditions where no party would be advantaged as well as under the supervision of the United Nations.

On the guarantee of the independence, sovereignty, territorial integrity and inviolability, neutrality and national unity of Cambodia, the proposal said in a comprehensive political settlement the four Cambodian parties should accept the need for Cambodia to conduct a policy of independence, peace and nonalignment, the

establishment of friendly relations with all countries based on the principles of peaceful coexistence.

It said that Cambodia will proclaim her perpetual neutrality and the UN must guarantee the independence, sovereignty, territorial integrity and inviolability, neutrality and national unity of Cambodia.

Near East & South Asia

Further Reportage on Bangladesh President's Visit

Meets Wang Zhen

OW2906130890 Beijing XINHUA in English
1105 GMT 29 Jun 90

[Text] Beijing, June 29 (XINHUA)—Chinese Vice-President Wang Zhen met here this morning with Bangladesh President Hussain Mohammad Ershad in the Great Hall of the People.

Wang called Ershad an old friend of the Chinese people, who has made special contributions to the friendship and cooperative relations between China and Bangladesh.

He extended a warm welcome to President Ershad, who is on his sixth visit to China. He said he believes the visit will surely promote the traditional friendship between the two peoples and make fresh contributions to the bilateral relations of friendship and cooperation.

Wang said that China and Bangladesh, both being developing countries, share many points in common. They enjoy very good cooperation in political, economic, military, cultural fields. The friendship is not only in keeping with the interests of the two peoples, but also conducive to regional peace and stability.

He said that "we hope to make positive efforts together with the Bangladesh friends in continuously expanding and strengthening bilateral relations of friendship and cooperation."

The Chinese leader pointed out that as countries of the Third World, China and Bangladesh have more reasons to enhance unity and mutual support under the current international situation.

Wang also briefed the visitors on China's domestic situation, noting that it is stable, thanks to the leadership of the new leading body.

President Ershad said the friendly cooperation between Bangladesh and China has developed satisfactorily over the past years. The aim of his current visit is to express the love and best wishes of the Bangladesh people for the Chinese people.

He expressed his belief that the bilateral friendship will be consolidated continuously in the years ahead, adding that the two nations will also beef up cooperation and make new contributions in international affairs.

During their meeting, President Ershad invited Vice-President Wang to visit Bangladesh, and Wang accepted the invitation with many thanks.

Prior to the meeting, the vice-president, on behalf of President Yang Shangkun, who has been hospitalized for an operation on acute appendicitis, presided over a grand ceremony to welcome President Ershad.

Visits Asian Games Village

*OW2906131090 Beijing XINHUA in English
1148 GMT 29 Jun 90*

[Text] Beijing, June 29 (XINHUA)—Bangladesh President Hussain Mohammad Ershad said here this afternoon that his visit to the Asian Games village in Beijing has left him a deep impression.

During the visit, Ershad told his Chinese hosts that "as friends of China and as an Asian country, we are proud to see that all the technology and equipment used here are China's."

He wished the Chinese people to make greater achievements in sports and the 11th Asian Games a complete success.

He also said that Bangladesh will send a 85-member delegation to the Beijing Asian Games in September.

Watches Show With Li Peng

*OW2906140690 Beijing XINHUA in English
1330 GMT 29 Jun 90*

[Text] Beijing, June 29 (XINHUA)—On behalf of Chinese President Yang Shangkun, Vice-President Wang Zhen hosted a banquet for visiting Bangladesh President Hussain Mohammad Ershad, his wife Raushan Ershad and their party here tonight.

In his speech issued at the banquet, Wang said the international situation is undergoing great changes. Nevertheless, peace and development remain the irresistible historical trend in today's world.

He said China will continue to pursue the independent foreign policy of peace, develop its friendly relations with other countries, especially the Third World countries, on the basis of the Five Principles of Peaceful Coexistence and contribute its share to the maintenance of world peace as well as to the establishment of a new international political order and a new international economic order.

Wang stressed that China treasures its friendship with Bangladesh, adding that the further growth of Sino-Bangladesh friendly relations and cooperation will be conducive not only to the steady development of the two countries' national economies, but also to peace and stability in this region.

In response, Ershad said, "I am reassured by the warmth of your welcome that with this visit, together with the

very successful one to Bangladesh made last year by his excellency Premier Li Peng, our two countries are now poised to scale new heights in our bilateral relations."

He said, "Bangladesh and China have already set examples of fruitful bilateral cooperation. We have worked in harmony to make our voices heard among nations of the world for the promotion of peace, stability and development in our region and the world."

He pointed out, "Momentous changes are taking place today, sweeping across economic, political and social systems in many parts of the globe... In the face of these new realities, and to revamp the process of development, the North-South dialogue must be revitalized. The developing countries must also lend fresh impetus to the process of South-South cooperation."

After the banquet, President Ershad and his wife Raushan Ershad, accompanied by Chinese Premier Li Peng and his wife Zhu Lin, watched theatrical programs at the Diaoyutai State Guesthouse.

Meets With Deng Xiaoping

*OW3006072490 Tokyo KYODO in English 0710 GMT
30 Jun 90*

[Text] Beijing, June 30 (KYODO)—China's senior leader Deng Xiaoping, who retired from all public posts in spring, met with Bangladesh President Hussain Mohammad Ershad on Saturday, his first meeting in 40 days with a foreign leader, informed sources said.

Deng met former West German Chancellor Helmut Schmidt on May 21.

The Deng-Ershad meeting at the Great Hall of the People was described as private like the meeting with Schmidt. No official commentary was released on the meeting.

Deng retired from his last post as chairman of the State Central Military Commission in the National People's Congress in spring.

The sources said Deng had been in Hebei Province for the summer since the end of May and returned to Beijing a week ago.

Visits Sino-Bangladesh Friendship School

*OW3006073090 Beijing XINHUA in English
0711 GMT 30 Jun 90*

[Text] Beijing, June 30 (XINHUA)—Bangladesh President H.M. Ershad and his wife visited the Sino-Bangladesh school in the company of Premier Li Peng's wife, Zhu Lin, here this morning.

The school, located in central Beijing, was built with a grant of one million U.S. dollars from the Bangladesh Government. President Ershad and his wife participated in the foundation stone-laying ceremony in 1987. The school was completed in 1989.

The school band played and hundreds of children waved flowers to greet the guests as the presidential motorcade drove into the school. Two pupils presented flowers to President Ershad and his wife.

Ershad said in a speech that ever since he had laid the foundation stone of the school he had been looking forward to seeing for himself the new building and the little Chinese friends. "It is no secret that we have taken a very special interest in the school because it is an important symbol of the friendship between our two countries," he said.

Talking about exchanges of visits between children's art troupes of the two countries, Ershad said he considered such exchanges conducive to the understanding of each other's culture, language and civilization.

He disclosed that Bangladesh will send teachers to the school to teach the pupils here the Bengali language and help them learn the traditional music and dances of Bangladesh.

Ershad's speech received warm applause. The children then entertained the guests with a performance of dances and music.

Before leaving the school, the president and his wife watered a "Sino-Bangladesh friendship tree" planted last September, when the school was inaugurated.

After that, Ershad and his entourage drove to Tiananmen Square and laid a wreath at the Monument to the People's Heroes.

Meets Jiang Zemin

OW3006082790 Beijing XINHUA in English
0810 GMT 30 Jun 90

[Text] Beijing, June 30 (XINHUA)—Jiang Zemin, general secretary of the Communist Party of China (CPC) Central Committee, met visiting Bangladesh President Hussain Mohammad Ershad here today.

After extending a warm welcome to Ershad, Jiang said that frequent exchanges of visits by high-level leaders of China and Bangladesh will certainly further promote the healthy and smooth development of Sino-Bangladesh friendship and co-operation.

He said the developing countries have a common desire: to develop their economies, they ardently hope for an environment of peace and stability.

The aim of China's independent and peaceful foreign policy, which is based on the Five Principles of Peaceful Coexistence, is to get along with all countries in peace, Jiang added.

He stressed that all countries should strengthen their mutual understanding, and respect the political and social system chosen by the people of each country

according to their historical development and economic and cultural levels, but not impose one's own system on others.

Ershad said this was his first meeting with Jiang and he was very pleased to make acquaintance with Jiang.

Ershad described his current visit as "fruitful". He said his talks with Chinese Premier Li Peng had centered on discussing detailed steps to future Sino-Bangladesh co-operation.

He stressed the importance of Sino-Bangladesh friendship, saying the two countries will firmly stand side by side at all times in the future.

Ershad also briefed Jiang on Bangladesh's domestic situation. He said he hoped the ruling Bangladesh national party, with Ershad as chairman, will strengthen its ties with the CPC.

The meeting was followed by a luncheon given by Jiang for Ershad.

Attends Signing Ceremony

OW3006112490 Beijing XINHUA in English
0935 GMT 30 Jun 90

[Text] Beijing, June 30 (XINHUA)—China and Bangladesh signed an agreement and two protocols here this afternoon.

They include an agreement on scientific and technological cooperation between China and Bangladesh, a protocol on institutionalizing consultations between officials of the ministries of foreign affairs of China and Bangladesh, and a protocol between the governments of Bangladesh and China on the construction of Mahananda Road Bridge.

Chinese Vice-President Wang Zhen and Bangladesh President Hussain Mohammad Ershad attended the signing ceremony, which was held at the Diaoyutai State Guesthouse.

After the ceremony, Wang bid farewell to Ershad.

The Bangladesh leader and his party are leaving for the port city of Qingdao in east China by special plane later this afternoon.

Visits Yang Shangkun

OW3006102590 Beijing XINHUA in English
1010 GMT 30 Jun 90

[Text] Beijing, June 30 (XINHUA)—Bangladesh President Hussain Mohammad Ershad visited Chinese President Yang Shangkun at a hospital here today.

Ershad wished Yang an early recovery. Yang, who has been hospitalized because of acute appendicitis, thanked Ershad for his concern.

Ershad told Yang that he was greatly satisfied with the meetings with Chinese leaders and the results of his current visit to China. He also said he hoped President Yang would visit Bangladesh at an early date.

Yang accepted the invitation with happiness.

Yang described Ershad's current visit to China as a "major event in the history of Sino-Bangladesh relations," saying that Ershad's meetings with Chinese leaders were very successful, further promoting bilateral friendly relations. "I feel very pleased with this," Yang added.

He told Ershad that "my operation was carried out successfully and I have been recovering quickly. You may rest assured."

Speaks at Banquet

BK3006135590 Dhaka Overseas Service in English
1230 GMT 30 Jun 90

[Text] President Ershad has said Bangladesh and China have set examples of fruitful bilateral cooperation working in harmony for the promotion of peace, stability, and development in the region and the world. He was speaking at a banquet given in his honor in Beijing last night by Vice President Wang Zhen on behalf of Chinese President Yang Shangkun.

The president said the two countries have made strides in fostering cooperation in the spheres of industrialization, communications, flood control, science and technology, and trade and commerce. President Ershad said the friendship bridge over the River Burhi Ganga in Dhaka built with Chinese (?technology) and support epitomized the special ties that bind the two countries. The Sino-Bangladesh Friendship School in Beijing, which has become well-known to everyone in Bangladesh, serves as yet another symbol of friendship. He referred to China's many splendid achievements in various fields and said cooperation between the two countries will prove extremely fruitful in the fields of flood control, because China's experience and expertise in combating floods are second to none.

President Ershad said in the face of momentous changes taking place today and to revamp the process of development, the North-South dialogue must be revitalized. He said the developing countries must also lend fresh impetus to the process of South-South cooperation.

Referring to Bangladesh's policy of strengthening regional and subregional cooperation, he said his country's commitment to SAARC [South Asian Association for Regional Cooperation] remained as strong as ever.

The president said Bangladesh fully supports that the United Nations should have an important and strong role in the settlement of the Cambodian problem. President Ershad also expressed his fervent hope that the world community will reinforce their efforts to fulfill the promise of an independent homeland for the Palestinian people.

In his speech on behalf of the Chinese president, Yang Shangkun, Vice President Wang Zhen lauded the role of Dhaka in promoting regional cooperation and maintenance of peace and stability in South Asia. He maintained that Bangladesh firmly pursues an independent and nonaligned foreign policy and supports the establishment of new international economic order. It also stood for strengthening of South-South cooperation and is striving to develop friendly relations with countries throughout the world. Mr. Wang hoped that the current visit of President Ershad will bring the two friendly countries even closer. The first lady, Begum Ershad, the Chinese dignitaries, and members of the president's entourage attended the banquet. Later, President Ershad witnessed a cultural function arranged on the occasion at the Diaoyutai state guesthouse.

President Ershad visited the new complex of the Sino-Bangladesh Friendship School in the Chinese capital this morning. Speaking on the occasion, President Ershad expressed the hope that the children will one day grow as worthy citizens of China and will always keep Bangladesh in their hearts. He said the school will play a significant role to strengthen the bonds of friendship between Bangladesh and China. Later, the president laid floral wreaths at the monuments of national heroes at Tiananmen Square.

President Ershad also called on senior octogenarian leader Deng Xiaoping in the Great Hall of the People. He also called on Communist Party General Secretary Jiang Zemin.

Political & Social

Editorial Commemorates 69th CPC Anniversary

OW3006133190 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 2 Jul 90 p 1

[RENMIN RIBAO 1 July editorial: "Bear in Mind the Party's Fundamental Objective—Commemorating the 69th Founding Anniversary of the CPC"]

[Text] The date 1 July marks the 69th founding anniversary of the CPC today.

The 69 years of the CPC represent years of struggles for the Chinese people's liberation and happiness. When reviewing history and looking into the future of the party, every party member—party member-cadre in particular—should ask himself: Has he faithfully carried out the party's fundamental objective of serving the people wholeheartedly, and what has he done for the people?

The CPC, as the vanguard of the Chinese working class, is a true representative of the interests of the Chinese people of all nationalities. The Communist Party does not have any special interests, except for the interests of the working class and the masses. To build close links between the party and the masses and serve the people wholeheartedly is the fundamental objective of all activities of the party and a reliable guarantee that it will surely establish itself in an unassailable position. We have often stressed the importance of strengthening party spirit. The so-called party spirit is, to boil it down to one point, the consciousness to serve the people. Deviating from the objective of serving the people means to fundamentally deviate from the principle of party spirit. Communist Party members must enhance their consciousness of serving the people wholeheartedly to strengthen their own party spirit.

The majority of party members have kept firmly in mind the party's fundamental objective and worked at their own posts to contribute more to the people in the new era of historical development. However, the party's fundamental objective was played down among some comrades and negative corrupt phenomena grew inside the party, which seriously undermined the links between the party and the masses. This occurred due to the negligence and slackening in party building, construction of spiritual civilization, and ideological and political work a few years ago. A small number of party members and party member-cadres who, failing to withstand the tests of being in government service and of reform and opening up, abused their positions and powers and put money above anything else. This stirred up strong resentment among the masses. This is related to the fact that a very small handful of advocates of bourgeois liberalization were able to use "anticorruption" as a pretext in inciting some ill-informed masses to involve themselves in disturbances during the political storm between the spring and summer of last year.

Since the quelling of the turmoils and the counterrevolutionary rebellion, the party Central Committee adopted a series of effective measures to combat all kinds of negative corrupt phenomena inside the party and to go all out to revive and carry forward the fine tradition and work style of serving the people wholeheartedly. This fine tradition will be carried forward while leading people all over the country in upholding the four cardinal principles, repudiating the ideological trend of bourgeois liberalization, and resisting the peaceful evolution conspiracy of hostile forces abroad. The "decision on strengthening the ties between the party and the people," which was adopted by the Sixth Plenary Session of the 13th CPC Central Committee, renewed the earnest call that "the party must regard seeking interests for the people as the starting point and end of all its activities." Over the past several months, the large number of party member-cadres have responded to the party's call by improving their work style and going down to the grass-roots level to establish links with the masses and perform concrete service for them. By doing so, they have been winning the support and appreciation of the broad masses of the people. Although much remains to be done in improving party work style, we have, after all, made a good new start. We must redouble our efforts so that the party's fundamental objective will glow with renewed radiance under the new historical conditions.

We must vigorously promote the communist spirit of selfless sacrifice to still better serve the people. During the primary stage of socialism, it is essential to implement assorted forms of distribution with emphasis on each according to his work, as well as other economic policies that suit the practical conditions of the current stage. Communists must firmly implement these principles and policies. However, we should set a higher demand on Communists, that is, they should have the communist spirit of sacrifice and dedication. Sacrifice and dedication are the obligatory duties of Communists. If a Communist joins the party, not out of dedication but because he wants to gain some personal benefits, then his motive for joining is impure. If he feels it doesn't pay to be a party member, then he should resign. Lenin said: "We would not take an undeserved party member even if it is for nothing." Moreover, we must, as Lenin said, "purge from the ranks of the party those people who want only to 'gain' something as members of the party in power rather than shoulder any heavy responsibility or work selflessly for communism."

Whether one has the spirit of sacrifice and dedication or not is a question of world outlook. Communists believe that mankind will eventually reach communism. Dedicating one's life to communism should be a Communist's outlook on world and life. This kind of conviction, not blind faith, is founded on a scientific and rational knowledge. Marxism is a powerful ideological weapon through which the proletariat and working people understand and change the world; it is the theoretical foundation for us to foster a correct outlook on world and life.

While commemorating the 69th anniversary of the party's founding, each and every Communist—leading cadres of the party in particular—must firmly make up his mind to study Marxism well, for it is fundamental to change both the objective world and subjective world.

At present, our domestic situation is stable and this presents a good opportunity for socialist modernization. Under the party's leadership, people of all nationalities across the country are working hard to bring about greater political, economic, and social stability; development; and to accomplish the tremendous task of economic improvement, rectification, and the deepening of reform. In this struggle, each and every Communist should carry out the party's fundamental objective of serving the people wholeheartedly with their own actions and set a good example for the people. No amount of difficulties or pressure will crush us since we can crush every difficulty or pressure so long as the vast number of Communists, cadres at all levels in particular, take the lead in setting a good example and maintaining close ties with the masses.

Jiang Zemin Speech From Dec 1989 Released

OW0107050890 Beijing RENMIN RIBAO in Chinese
1 Jul pp 1,3

[Unattributed report: "Struggle To Build the CPC Into a Staunch Vanguard of the Working Class—Speech Delivered at a Seminar on Theories of Party Construction (29 December 1989)"]

[Text] Beijing, 30 Jun (XINHUA)—This seminar on party-building theory has a distinctive theme. You comrades are hard working and earnest, and you have said what you wanted to say. You also put forward many good proposals as the discussion proceeded. The seminar has achieved its anticipated results. I have read the report about the seminar and had discussions with some comrades. I feel highly enlightened by them, and I have learned many useful things. Today I would like to comment on eight issues. These may be taken as my view at this seminar.

First, we should fully understand the importance and urgency of building a stronger party.

After the Fourth Plenary Session of the 13th CPC Central Committee, the party Central Committee, acting on Comrade Deng Xiaoping's view that "we must do something about our party; we cannot afford not to do so," has adopted a series of important measures to build a stronger party and rectify the grave consequences caused by a few leading party comrades in weakening the party some time ago. The great deal of work accomplished by party organizations at all levels toward this goal are beginning to produce results, which the people and all party members are glad to see. The issue now is that we must be fully aware of the grave situation confronting our party, its heavy historical responsibilities, the grave danger confronting our party as result of

the "peaceful evolution" strategy carried out by international hostile forces with greater intensity, the importance and urgency of strengthening the work of party building under new circumstances, and the need for all party comrades to work hard together to build up our party so as to make sure that socialist China can withstand any test without being defeated.

Our party and state are at a very critical period now. At home, the extremely small number of proponents of bourgeois liberalization, with the support of international hostile forces, engineered an anticommunist and antisocialist upheaval and counterrevolutionary rebellion during the period between late spring and early summer this year [1989]. Because of our party's firmness and decisiveness and the support from the vast number of people, the political storm was suppressed. However, the hostile forces at home and abroad will not admit their defeat willingly. Our fight to uphold the four cardinal principles and oppose bourgeois liberalization will be a protracted and complex one. To continue maintaining political stability at home and firmly proceeding with our socialist modernization, reform, and open policy, we still have to solve a series of complex issues, and the mission is extremely formidable. The international hostile forces have intensified pushing their "peaceful evolution" strategy. They are supporting, buying, and cultivating anticommunist and antisocialist forces in socialist countries. The situation shows that the long-term confrontation and struggle between two systems and two ideologies are continuing around the world, and that the international situation has sharpened again during the process of detente. This struggle has a close bearing on the future and destiny of the Chinese people and on the future and destiny of socialism and people the world over. As far as we Chinese Communists are concerned, our most important responsibility is to make a success of our party building and socialist modernization, regardless of what changes may take place in the world and in the balance of strength.

To successfully build our party, we must understand the party correctly. Overall, the CPC is a great party with its own special characteristics and strong points. Ours is a party armed with Marxism-Leninism-Mao Zedong thought. It is a party that has been tempered in the protracted war and all kinds of difficulties and that possesses a strong contingent of backbone cadres; a party in firm control of the Army with powerful combat capability and dedicated to the motherland, its people, and socialism; and a party that serves the people wholeheartedly and maintains close ties with the masses. It is the ruling party in a big country with a population of 1.1 billion. It has strived to develop the economy for four decades. Especially in the past decade, it has scored tremendous achievements in developing the country and improving the people's livelihood by taking the economic construction as the central task, adhering to the four cardinal principles, and persisting in reform and opening to the outside world. It is a party enriched in the experience of fighting against imperialism and opportunism of all shades. This year, it has once again revealed

its invincibility in quelling the turmoil and counterrevolutionary rebellion and smashing the international hostile forces' "peaceful evolution" conspiracy. Of course, we should also thoroughly recognize the serious problems of ideological and organizational impurity and impurity in the work style of the party, which has been caused by slackening or even negligence in party building for a given period of time, and especially by the rampant ideological trend of bourgeois liberalization and international hostile forces' "peaceful evolution" activity. These problems should never be underestimated nor treated lightly. We must take the Marxist stand in making an overall review of the domestic and international situation, face up to the realities, firmly control the future, and, with a profound sense of revolutionary responsibility and urgency, fully mobilize and rely on the strength of the whole party in grasping the work of party building, maintaining high standards of the party in various fields, and fighting for a comprehensive improvement of the party's fighting capacity.

Second, it is imperative to uphold the nature of the party as the vanguard of the working class.

How should we grasp the guiding ideology and define the requirements for strengthening party building? The most fundamental and most important requirement is that we must persist in building the CPC into a staunch vanguard of the Chinese working class armed with Marxism-Leninism-Mao Zedong thought. Such a vanguard must have a more mature theory, more unified ideology, stronger political conviction, greater internal unity, and closer ties with the masses, because it is a strong core for leading the Chinese people of all nationalities in building socialism with Chinese characteristics. This requirement embodies the Marxist theory on party building, is in keeping with the demands of the new situation and new tasks, and conforms to the needs of the party's basic line. Therefore, this requirement should be the fundamental guiding ideology and the goal of our advance in strengthening party building in the present stage.

Ever since its inception, the CPC has unequivocally declared that it is the vanguard of the Chinese working class. In spite of various ideological trends that negated and tampered with the nature of communist parties at home and abroad over the past more than six decades, we have always upheld the party's nature. The reason that we are firm and unshakable on this issue is based on our scientific understanding of the objective law of the development of society and its history. As you know, Marxism has revealed that society will inevitably be transformed into a classless society without exploitation and oppression. This is a general trend independent of man's will. The only force capable of leading such social transformation is the working class, because it is closely linked to modern large-scale industry, imbued with a stringent sense of organization and discipline, enriched with revolutionary firmness and thoroughness, and because it is capable of regarding liberation of the whole of mankind as its duty. It represents the advanced productive forces and relations, as well as the vital

interests, of the whole people. No other class can substitute for the working class in regard to its historical position and role. Since the founding of the PRC, the working class has become the master and leading class of the country. Along with the progress in socialist construction, the rank and file of the working class has expanded rapidly, and its cultural standards have generally been improved. The vast number of new-generation workers who have grown into maturity have greatly changed the internal composition and mode of labor of the working class, while the number of intellectuals as a component of the working class has increased conspicuously. However, these changes have not altered, and cannot alter, the class nature and historical mission of the working class. Our party is the class organization as well as the vanguard of the working class. Only the vanguard of the working class, which is the Communist Party, can organize the working class and fight for its ideals. The working class needs the party, and the party cannot be divorced from the working class. Only by clearly upholding the party's nature as the vanguard of the working class can we understand better the party's historical status and noble mission, grasp the quintessence of the Marxist theory on party building, and ensure that the work of party building advance along the correct path.

It is of essential immediate significance to uphold the nature of the party as the vanguard of the working class. Of late, all types of theories on party building that run counter to Marxism have caused a temporary clamor in the international community. Domestically, some people, under the pretext that the class situation and class relations have undergone changes in China and that a new technological revolution has taken place in the world, have attempted to deny that the working class is the representative of the advanced productive forces and the leading class of the state. Thus they deprive the party of its class foundation, negate its nature, and eventually negate its position of leadership. We must firmly resist this countercurrent.

It is imperative to uphold the nature of the party as the vanguard of the working class throughout all the party's activities. In formulating or implementing specific policies in accordance with the party's basic line, we should steadfastly take into account the will and interests of the working class and other segments of the population. Politically, we must firmly uphold the working class as the leading class, and support and guide the members of it to be the masters of their own affairs. In work, we should rely on the working class and the vast masses of the people wholeheartedly. Organizationally, we must pay attention to recruiting party members from among outstanding workers, especially fine industrial workers in the forefront of production. In recruiting party members from other classes or sectors, we must also adhere to the criteria of a vanguard of the working class. At the same time, we should earnestly strengthen the party's work among workers to enhance their sense of being their own masters. We should heighten their sense of the

historic mission of building socialist modernization, guide them in constantly enhancing their political awareness and overcoming their own shortcomings, and build the working class into a powerful class contingent with ideals, socialist morals, modern cultural and scientific knowledge, and a firm discipline befitting their status as the advanced class. Third, it is imperative to adhere to and strengthen the CPC's position as a party in power.

Leadership by the Communist Party is the fundamental guarantee for achieving the historic mission of the working class. The Chinese people have reached a consensus through protracted, arduous struggle and they have chosen the Communist Party's leadership and the socialist road. This is an inevitable historic development. Immediately after the founding of New China, imperialists predicted that communist parties were capable only of "sabotaging," not of construction. In recent years, some people at home have also questioned and even opposed party leadership. History and reality have shown again and again that we cannot follow the socialist road without the leadership of the Communist Party. Without the CPC's leadership, there would be no socialism in China. On this question, we must take a firm stand and clearly distinguish between right and wrong.

Ours is a party in power, and the party's leadership is exercised through government. We must enhance our awareness as a party in power and improve our ability to govern. According to our Constitution, organs of political power at all levels, including the People's Congress, the government, and the judicial bodies, are subject to the leadership of the Communist Party. All major issues concerning general and specific policies are to be discussed by the party committee before implementation by the relevant departments. Party groups in organs of political power are accountable to party committees at the same level. Party members working in organs of political power must implement the party's decisions and subject themselves to the party's supervision. Certainly, the party is not the government itself, and it cannot fulfill the functions of government bodies. Our party Constitution stipulates that "party leadership consists mainly of political, ideological, and organizational leadership." The first issue is that the party must exercise strong political leadership; that is, correct leadership is the line, principle, policy, and political orientation. Political leadership and ideological and organizational leadership form an organic whole, neither of which can be separated from the other. Ideological leadership is an important prerequisite and the foundation for political and organizational leadership, while organizational leadership is an important guarantee for political and ideological leadership. We should harmonize the three; uphold the socialist orientation even better in all fields, including politics, economics, and culture; and bring into full play the party's leadership role in reforms and construction.

While asserting and improving party leadership, we must also earnestly improve the party's leadership and operation style. We must continue to firmly carry out political reform. However, it must be made clear that this reform is designed to strengthen and improve the party's leadership rather than to weaken it or rule it out. First, we must properly handle the relationship between the need to separate the functions of the party from the functions of the government on one hand, and the need to give play to party leadership on the other. We should, under the unified leadership of the party, further define the powers and responsibilities of party organizations at all levels, institutions of political power, enterprises, establishments, and other administrative organizations, in accordance with their different functions. Second, while emphasizing the the party's unified leadership from top to bottom, efforts should be made to give free rein to the role of party organizations at different levels and in different sectors. Efforts should be made to bring into full play the role of grass-roots party organizations as the political core and fighting force. Third, we must uphold the principle that cadres are under the control of the party. At the same time, we must improve the administrative system of cadres and continue to reform the cadre system. The party's control over cadres provides an organizational guarantee for realizing party leadership. As for whether the cadre administrative system should be centralized or decentralized, and as for other related contradictions, we must earnestly sum up experiences to determine a correct way to solve them. Fourth, the party must exercise leadership in trade unions, and in youth, women, and other mass organizations, and strengthen the party organizations within them. The Central Committee will issue a document in this regard. After it is issued, earnest efforts should be made to implement it and do an even better job in the work of trade unions, and of youth, women, and other mass organizations.

The multiparty cooperation system and political consultative system under the Communist Party's leadership have a long history and are suitable for China's conditions. This system establishes the leadership position of the Communist Party in the state's political life and rules out the rotation of power by different parties. The democratic parties cooperate with the Communist Party and participate in exercising political power. The relations between the Communist Party and the democratic parties is not one of a party in power and opposition parties. To ensure political stability in China, we must stabilize this structure. The Central Committee will also issue a document in this regard. We believe that under the guidance of the principle of "long-term coexistence and mutual supervision, treating each other with all sincerity, and sharing weal and woe," the relationship between the CPC and the democratic parties will become even closer. Some people want to introduce a multiparty system or dual-party system from the West into China. That absolutely would not work because it goes against the history and practical conditions of China, violates the constitutions of the country's noncommunist parties, and runs counter to the will and interests of the people.

Fourth, we must firmly put ideological work on the top of the party-building agenda.

Stressing ideological party building is a creative development of Comrade Mao Zedong's Marxist party-building theory, as well as an important guarantee and fundamental experience for ensuring that the party preserves its nature as the vanguard of the working class and constantly increases its fighting power. If we pay close attention to this, problems in organizational construction and improvement of work style can be rather readily solved. Therefore, strengthening ideological construction is a prerequisite for party building.

When our party leads the people in carrying out the great struggle of socialist modernization, it will inevitably encounter many complex situations. The grave situation at home and abroad, and the confrontation and fights between different social systems and different ideologies, are constantly testing each and every party member. In particular, the inundation of liberal ideas from the bourgeoisie, the confusion caused by such bourgeois slogans as "democracy, freedom, and human rights," and the appearance of egotism, a money-worshipping mentality, national nihilism, and historical nihilism, which have gone on for some time, are seriously eroding the body of our party and considerably confusing the minds of some people within the party. It was a mistake on our part to slacken the party's ideological construction. In failing to draw clear distinctions in cardinal issues of right and wrong, some party members have lost their bearing and followed erroneous ideas. Some party members have sympathized with, supported, and even participated in one way or another in the upheaval and counterrevolutionary rebellion. These problems that have been exposed within the party tell us that the party must accept as an urgent mission the intensification of ideological construction and the heightening of party members' ideological and political consciousness.

A direct and realistic goal of intensifying the party's ideological construction is to solve the problem of joining the party ideologically. This is a problem for a considerable amount of Communist Party members. Currently our party has 48 million members, including 70 percent who joined the party during or after the "Cultural Revolution." The party's rank and file have expanded rapidly, but its ideological construction has not kept up with the rapid expansion. Many comrades joined the party organizationally, but they have not really or completely become party members ideologically. As for veteran party members, there is also a problem of continuously improving in the process of changing situations and tasks. The policies that our party formulated on the basis of realities in China since the Third Plenary Session of the 11th CPC Central Committee are correct and cannot be doubted or changed. However, in implementing the existing policies, especially in developing a planned socialist commodity economy, Communist Party members should never waver even slightly in their communist ideals, convictions, and ethics. They should never fail to improve their

capability of resisting the corrosive influence of ideas from the exploiting class and of other nonproletarian ideas. A few years ago, we emphasized the establishment and perfection of inner-party rules and regulations for standardizing the behavior of party comrades. This is entirely correct. We should continue to do so in the future. However, improvement in the system must be combined with ideological construction. Only by enhancing the ideological consciousness of all party members and strengthening their cultivation of party spirit can a good system be implemented.

In strengthening party building at the present and for the future, it is necessary to develop systematic and in-depth education on the basic theory of Marxism-Leninism-Mao Zedong thought among all party members, especially education on the Marxist philosophy, the party's basic line, and the basic knowledge of the party. In conducting the education in these "three basic aspects," we must imbue it with education in party spirit, focusing on arming the vast majority of party members with the Marxist outlook on the world and Marxist methodology. One of the important reasons that our party is strong and effective is that it has persisted in taking the Marxist theoretical system as its outlook on the world and as its guide for action. If the party is not armed with the advanced theory, it cannot be an advanced party; a Communist Party member who is not armed with the advanced theory cannot bring into play the role of an advanced fighter; and a person who refuses to arm his thinking with the advanced theory will not have the genuine party spirit and will not qualify for being a member of the vanguard of the working class. We should organize party members, party member-cadres in particular, to study selective Marxist classics with a definite purpose and in light of international and domestic situations, contradictions, and struggles. Party organizations at all levels are urged to earnestly implement the "circular concerning the establishment and improvement of a study system by cadres at leading provincial and ministerial posts," which was issued by the central authorities recently. We should not only grasp and uphold the basic tenets of Marxism but also enrich and develop Marxism by studying and summarizing the theory of new practical experiences. This is very important at the present. Only by properly solving this problem can the party become more mature in the theory and more effective in the practice of guiding the reform, opening up, and the modernization drive.

Our party has always maintained that it is imperative to remold our subjective world while transforming the objective world. Accordingly, in ideological construction, the party has consistently advocated that we use the weapon of criticism and self-criticism to wage an active ideological struggle. For a long time, we have made formulas to properly solve the contradictions between correct and erroneous, and advanced and backward, thoughts within the party: "unity; criticism and self-criticism; unity." This is a basic experience in strengthening the party's ideological construction. Some comrades equate conducting criticism and self-criticism with

being "leftist," and think that waging an active ideological struggle will affect unity. These comrades are, in effect, playing the role of covering up and conniving erroneous thoughts, words, and deeds within the party. Others describe criticism as "using the stick" and "giving someone a hard time," while they themselves unscrupulously vilify Marxism and level unwarranted charges against those comrades who adhere to the correct principles. This phenomenon, which confuses black and white, especially needs to be opposed resolutely. Our party's consistent principle is to "uphold the truth and correct mistakes" and, to clearly distinguish between right and wrong on all major issues of principle so as to achieve the goal of uniting the comrades and clarifying their thinking. Criticism and self-criticism are the weapons with which we protect the party's purity and increase its fighting strength. All party members must, in their inner-party life, learn to use these weapons properly. In particular, leading cadres must set an example by their own conduct and ensure that the party's fine work style will radiate a new brilliant light.

Fifth, we should improve democratic centralism and strengthen party unity and unification.

Democratic centralism is our party's fundamental principle of organization. It is a basic code that we must obey in our inner-party life. It is also an indispensable system that guarantees scientific and democratic policy making. This highly democratic and centralized system of dialectical unity is an embodiment of dialectical materialism and historical materialism in building up our party in terms of its organization and systems. It is also a creative application of our party's mass line in its construction in terms of organization and systems. The basic starting point and aim of this system is to fully mobilize the initiative and creative spirit of all party members and party organizations at all levels, under the leadership of the party Central Committee, to focus the correct opinions of the whole party and unite as one to work for the interests of the people. Since the Third Plenary Session of the 11th CPC Central Committee, we have restored and upheld democratic centralism in our inner-party life. The situation in general is good, but problems still exist of insufficient democracy and centralism in dealing with the relationships between the central authorities and various localities, between higher and lower levels, and between individuals and the organizations. This involves the problem of understanding. In most cases, however, the problem is one of execution, which is also an issue of the need for perfecting the specific system. In our inner-party life, it is imperative to fully carry forward and expand democracy. If we ignore democracy and carry out the practice of "what I say counts," we will inevitably make our inner-party life abnormal. Nonetheless, we should not forget that the Communist Party should not only carry forward democracy, but should especially achieve centralism on the basis of democracy. This is also a requirement of democracy itself. If we depart from centralism and talk about democracy, we will go against

the principle of democracy and lead to ultra-democracy and a state of anarchism. In that case, we can accomplish nothing.

Democratic centralism and the party's political line are interacting, and they influence each other. Generally speaking, whenever the political line is correct, democratic centralism will be implemented fairly well. On the other hand, whenever democratic centralism and the principle of collective leadership are correctly implemented, there will be less likelihood of errors appearing in the party's line and policies. Even if such errors appear, they will be easy to correct. Our party already has a Marxist political line. We should use this line to guide us in making our inner-party life perfect and in further improving the specific system of democratic centralism. We should ensure that the party line is implemented in an even better way.

Every Communist Party member must abide by democratic centralism. This is the party's most important issue of discipline. For some time, the party has been lax in enforcing this discipline. Some party members, especially some leading cadres, have not followed the resolutions adopted on the principle of democratic centralism, but have made arbitrary decisions and taken peremptory actions in inner-party life, each going his own way. Some have vainly attempted to form an opposition faction within the party and have openly opposed the party's program and line. All of these are absolutely intolerable. To be strict in managing the party, we should be strict in this regard. From now on, it is imperative to truly improve and strictly implement the supervisory system within the party. Whoever violates democratic centralism should be criticized. Whoever undermines democratic centralism should be given necessary sanctions. Party committees at all levels should support discipline inspection organs in doing bold work and in exercising the functions and powers given by the party Constitution.

Sixth, it is imperative to always maintain the flesh-and-blood ties between the party and the masses of people.

Serving the people wholeheartedly and forging close ties with the masses is a conspicuous hallmark distinguishing our party from any other political party. Our party was born and has developed and become strong and mature in the course of maintaining close ties with the masses of people and in fighting together with them. The party cannot be separated from the people, nor can the people be separated from the party. After our party became a ruling party, it had, on the one hand, the duty of serving the people better. On the other hand, however, it is in danger of divorcing itself from the people. In recent years, corrupt phenomena, such as abusing official power for selfish ends and taking bribes to pervert the law, have increased, but actions taken to punish them are not effective enough. This has led to complaints and has aroused concern among the masses of people. Moreover,

reactionary forces at home and abroad and some elements with ulterior motives have taken this opportunity to sow the seed of discord. As a result, the flesh-and-blood ties between the party and the masses of people have been seriously damaged. This state of affairs has lowered the party's prestige and adversely affected the consolidation of the people's political power. The whole party from top to bottom should resolve to act in accordance with the party Central Committee's arrangements, resolutely implement the principle of being strict in managing the party, and take effective measures to solve the problems.

We should conduct throughout the party education in the Marxist materialist concept of history, criticize all kinds of viewpoints of historical idealism that negate or belittle the position and role of the masses of people in social development, and firmly uphold the scientific concept that the decisive force in pushing history forward is the masses of people. We should foster throughout the party the good practice of firmly trusting the masses, closely relying on them, attaching importance to their interests in all cases, being responsible to them in all actions, and honestly learning from them. All leading cadres should frequently visit the countryside, factories, and schools and go deep among the masses to learn their sentiments and opinions. They should try to solve the practical problems for which the broad masses need solutions urgently. Party organizations at all levels should resolutely oppose and overcome bureaucracy, subjectivism, commandism, and all other erroneous tendencies undermining the party-masses relations. In no way should they turn a blind eye and let these go unchecked.

"Policy and strategy are the life of the party." All questions concerning policies on the vital interests of the broad masses of people must be dealt with very carefully. Under the socialist condition, while the masses of people share the same basic interests, different classes and strata have different specific interests. When formulating and implementing policies, we must conduct repeated investigations, carry out full discussions and verifications, conduct overall planning, take all factors into account, and correctly deal with the relations between the interests of individuals, collectives, and the state. Our policies should not only reflect the long-term and fundamental interests, but also take care of the present interests. They should not only take into consideration the overall interests of the state, but also show concern for the realistic demands of the masses. To maintain ties with the masses, we should, first of all, forge ties with the broad masses of workers, respect and safeguard the political and economic interests, as well as the social position, deserved by the working class and make every effort to create conditions in which they can carry forward their historic initiative. Intellectuals are part of the working class. We should further improve and earnestly implement the party's policy with regard to intellectuals, giving full play to their positive role. We should guide them to carry forward their strong points, overcome their weaknesses, and advance continuously while

conducting activities to serve socialism and the people and while integrating themselves with reality, as well as with workers and peasants. China's peasants are a reliable army in alliance with the working class and a massive basic force for the socialist modernization program. We must adopt an appropriate policy so that the worker-peasant alliance will be continuously consolidated and strengthened.

The mass line is the party's basic line. It is a scientific leading and working method that our party has created on the basis of its own nature and the Marxist theory of knowledge. Comrade Mao Zedong and other revolutionaries of the older generation have made brilliant expositions on the issue of the party's mass line. In his report to the Eighth National Party Congress on the revision of the party Constitution, Comrade Deng Xiaoping gave a very systematic and intensive elaboration on this in light of the new circumstances that our ruling party faced at that time. Some comrades who have just joined the leading bodies at various levels during the past few years have failed to understand or are unfamiliar with the principle and method of the mass line. There are also some people who are enthusiastic about mechanically copying certain Western management methods and have belittled or negated our party's own method of management based on the mass line. This has confused the minds of some cadres and made their work style superficial. At present, it is quite necessary to organize party members and cadres to restudy our party's theory of the mass line and to enable them to understand and grasp the work method based on the mass line. To truly learn to apply the party's mass line, however, they have to undergo a long process of rectifying their stand, remolding their world outlook, and tempering their work method and work style. They can achieve this only after making painstaking efforts in this regard. Meanwhile, we should create new experiences and enrich and develop the party's mass line in light of our practical work of construction and reform.

Seventh, we should ensure that leadership cores at all levels are composed of people loyal to Marxism.

Ensuring that the leadership of all party and state organs is wielded in the hands of people loyal to Marxism is an extremely important strategic issue that directly affects the prosperity or decline of the party and the state. This has been proven by ample experiences and lessons, past and present. In the past few years, our party has achieved great successes in promoting cooperation between new and old cadres and in replacing old ones with new ones; this historic process, however, will never end. The international hostile forces now vainly attempt to achieve their wish, namely "peaceful evolution," by opening a gap among party members of the third or fourth generation. Under such a complex situation, we must see far ahead and take effective measures that will enable leading bodies at all levels to be properly constructed, thus ensuring that the cause initiated by proletarian revolutionaries of the older generations will be handed down from one generation to the next.

Leading bodies of county-level and higher party committees and government organs in the country are the mainstay of our cadres, and their responsibilities are heavy. We must do everything to ensure that all county-level and higher leading groups are composed of people who are genuinely loyal to Marxism. We must gradually raise many thousands of staunch and mature Marxists among them. To this end, party organizations at all levels must make great efforts to cultivate leaders who will serve as the backbone. The practice of selecting cadres but not educating them is myopic and outmoded. In cultivating cadres, we must uphold the principle of "walking with two legs." This means that, in addition to establishing and implementing a system whereby cadres are trained on a rotational basis in party schools or in cadre training schools in a planned and systematic way, we must also establish and implement a system in which cadres can improve their proficiency through on-the-job training. We will become invincible when we have properly accomplished the mission of training proficient personnel who are loyal to Marxism.

The CPC principle that its cadres must be more revolutionary, younger in average age, better educated, and professionally more competent is a scientific and comprehensive principle in which all the requirements are interrelated. It is an embodiment of the principle that cadres must have ability and political integrity under new conditions. The requirement that cadres must be more revolutionary must be the prerequisite of our work in selecting, using, and educating cadres. By being more revolutionary, we mean, primarily, that our cadres must be firm in showing their allegiance to Marxism. Only people who study and work hard and who firmly believe Marxism can establish a scientific world outlook, correctly understand and execute the lines, principles, and policies of the party. Only they are able to persist in serving the people wholeheartedly, and to firmly adhere to the socialist course. Only they can know what to do in a complex environment and firmly and courageously march forward without quailing before hardship or danger. To keep pace with requirements during the new historic period, leading cadres must work hard to study and master scientific and other knowledge essential for modernization. While ensuring a relative stability within leading bodies, we should, on the basis of screening and evaluating the performance of their members, firmly replace those who should be replaced. We should courageously use those outstanding cadres who at critical moments have firmly upheld the Marxist stand, actively implemented the CPC Central Committee's decisions, and firmly struggled against bourgeois liberalization, upheavals, and rebellions; and who also have performed satisfactorily in other areas. People who uphold bourgeois, liberal ideas and stands, who act as "fence-sitters" while facing major issues of principle, who abuse their authority and neglect their duties, and who embezzle and accept bribes should not be allowed to stay within the leading bodies. Whoever within the leading bodies has supported or participated in the upheaval and rebellion

must be seriously handled in accordance with the relevant regulations of the central authorities.

While restructuring the leading bodies, we must constantly attach great importance to improving their ideological outlook and conduct. The phenomenon of relaxing the efforts to improve the leading bodies' ideological outlook and conduct has been quite common in recent years. From now on, we must earnestly strengthen the party's collective leadership, improve its supervisory and control mechanisms, and enforce the system in which leading cadres must conduct themselves democratically. We must encourage leading cadres to take the initiative to expose and settle problems among themselves so that they will understand each other better and render greater support for each other. As for those leading bodies that are obsessed with minor issues of right and wrong and are not united, that engage in empty talk and do nothing practical, that resort to deception and fail to match words with deeds, and that are listless and pay no attention to principle, the higher authorities must assess their performance individually, take actions according to their individual state, and charge them to improve themselves within a specified time period.

Eighth, we must attach great importance to the study, research, and propagation of the Marxist theory on party building.

The Marxist theory on party building is a theoretical weapon for building political parties of the proletariat, and it is an important part of Marxism. It is a theory that studies and expounds the objective law relevant to the birth, development, and construction of political parties of the working class, and the objective law with which these parties that lead the people seize political power, consolidate and use it, and build socialist societies. The CPC would not have come into being, developed, consolidated itself, and matured steadfastly without Marxism being integrated into the Chinese workers' movements, or without having the guidance provided by Marxist theory on party building. Like all other Marxist theories, the Marxist doctrine on party building is not a dogma but a guide for actions. It has to be tested, enriched, and developed during the course of constant practice and during struggles against all types of anti-Marxist doctrines.

Our party always attaches great importance to theoretical affairs pertinent to party building. During different historic periods, revolutionaries of the older generation, like Comrade Mao Zedong and Comrade Deng Xiaoping, have contributed immensely to the enrichment and development of the Marxist doctrines on party building, using the development of the CPC as a basis. In recent years, our study, research, and propagation of the Marxist theory on party building have noticeably fallen behind objective needs and other needs during the sharp and complex struggles. What is more, within the party we have overlooked the systematic study and propagation of the Marxist theory on party building, and we have seldom studied and criticized the misconceptions among

party members and people in society who disparage, distort, and alter the Marxist doctrines on party building. The ideological and theoretical chaos in this area is still serious.

In order to build our party into a party that is theoretically more mature, ideologically more unified, politically more staunch, and internally more united, and that maintains closer ties with the masses, we must be determined to intensify the study, research, and propagation of the Marxist theory on party building, beginning now. Members, especially the principal responsible comrades, of county-level and higher party committees, must set a good example in this regard. All party schools, party papers, party journals, and party-building theoreticians must give full scope to their respective roles. According to the principle of integrating theory with practice, they must, in conjunction with the new situations and new problems confronting party building, earnestly carry out theoretical research, distinguish the Marxist doctrine on party building from the anti-Marxist doctrines on party building, study the viewpoints of the opportunists from the Second International, and act justifiably and courageously to uphold the correct views, refute the erroneous views, and clarify all muddled ideas. Educating and arming all party members and party cadres with the Marxist doctrine on party building is especially important for the party's current construction and future development. As such, party organizations must draw up plans whereby this project can proceed earnestly and in a sustained way. When this project has been successfully accomplished, we can attain a new level in building our party, our party will have a new outlook, and the party will certainly be able to perform its responsibilities more successfully in leading the great cause of building a socialist society with distinctive Chinese characteristics. Our party will also be able to make even greater contributions to our country, the Chinese nation, the working class, and people throughout the world.

(To mark the 69th anniversary of the founding of the CPC, QIUSHI, with the consent of Comrade Jiang Zemin, will carry this speech in full in issue No. 13 to be published on 1 July 1990.)

Li Peng Tries To Portray United Party

HK3006015890 Hong Kong SOUTH CHINA MORNING POST in English 30 Jun 90 p 12

[By Willy Wo-lap Lam]

[Text] The prime minister, Mr Li Peng, has claimed that the leadership of the Chinese Communist Party is united and becoming more mature.

"The leadership collective of the party Central Committee with (General Secretary) Jiang Zemin as the core is united," Mr Peng told a group of senior party cadres on the eve of the 69th anniversary of the founding of the CCP.

"It (the leadership) is gradually becoming more mature, and is the core force for Chinese revolution and the construction enterprise."

"If the whole party is united, we will have the force to overcome any difficulty," he added.

The prime minister warned, however, that unity must be based on the principle of "supporting the leadership of the CCP and supporting the socialist system".

Chinese sources said Mr Li was trying to dispel speculation that the leadership was divided over such issues as whether to rehabilitate the reputation of the liberal associates of ousted party chief Mr Zhao Ziyang and to continue with economic reform.

However, the sources added, Mr Li's statement about the preconditions for unity seemed to be an indirect criticism of the viewpoints of his competitor, Mr Li Ruihuan, the Politburo member in charge of ideology.

In a series of speeches, Mr Li Ruihuan has emphasised the need to "unite as many people and social sectors as possible" through "soothing the feelings of the people and promoting interpersonal harmony".

Jiang Zemin on Socialism's Inevitable Victory

OW3006021990 Beijing XINHUA in English
0126 GMT 30 Jun 90

[Text] Beijing, June 30 (XINHUA)—Chinese leaders Jiang Zemin, Li Peng, Song Ping and Song Renqing met here yesterday [29 June] with outstanding party members and organizers from the departments under the Central Committee of the Communist Party of China (CPC) and the central government.

Jiang Zemin, general secretary of the Central Committee, said that Chinese communists believe that socialism will inevitably win. Socialist countries have existed only some seven decades and it is not strange that there have been some zigzags in their development, as this conforms to the law of historical development.

"We Communists will by no means flinch from temporary difficulties. On the contrary, the difficulties will inspire us to march forward more resolutely, and socialist China will stand towering among nations in the world forever.

"I believe our party will overcome its shortcomings and lead the whole nation to work hard and score greater achievements in socialist construction," Jiang said.

Premier Li Peng said that so long as the whole party unites and leads the whole nation to struggle hard, China will be able to overcome any difficulty.

He also said that the Central Committee headed by Jiang Zemin is united and is approaching maturity step by step, and it is the dynamic core of the Chinese revolution and construction.

Song Ping, member of the Standing Committee of the Political Bureau of the Central Committee of the CPC, said that it is necessary to educate the party members to play the exemplary vanguard role, and strengthen the building of party organizations at the grassroots level.

Deng Urges Early End to Investigation of Zhao

HK3006013690 Hong Kong HONGKONG STANDARD in English 30 Jun 90 p 1

[Text] Deng Xiaoping has stepped in to press for an early end to investigations into the role of ousted party chief Mr Zhao Ziyang in last year's pro-democracy demonstrations.

Informed sources said Mr Deng responded "favourably" to a letter written in May by Mr Zhao pleading for a quick end to the investigation.

"After reading the letter addressed to the party central committee, Mr Deng made a note on the letter that Mr Zhao's case should be closed as soon as possible," said the source.

In the letter Mr Zhao said he wished the probe could be completed at an early date so that he could "lead a normal life as an ordinary citizen".

Mr Zhao asked in the letter for "real freedom" which he could not enjoy as long as the investigation continued.

During the probe, Mr Zhao has been under virtual house arrest.

Chinese analysts said Mr Deng's note on the letter would help shorten the investigation which was started after Mr Zhao was stripped of all Communist Party positions, including Politburo membership and first vice chairmanship of the party's Central Military Commission, at the fourth party plenum held last June.

Sources also said Chen Yun, chairman of the Central Advisory Commission who represents the conservative old guard in the party, had also softened his stand against Mr Zhao.

They said Mr Chen who is believed to have been bedridden for much of the past four years has opposed anti-Zhao propaganda within the party.

Given the current policy favouring leniency for activists, Mr Chen was said to have expressed his willingness to conform with the trend to win further concessions from the West.

It was noted that claims in the official media that Mr Zhao helped the spread of "bourgeois liberalism" have decreased over the past few months.

And the authorities, including Mr Zhao's successor Jiang Zemin, have on various occasions ruled out the possibility of putting him on trial for last year's events.

Chinese analysts said the transfer of Bao Tong, a key political adviser to Mr Zhao, from the Qincheng prison to house arrest also signalled a more conciliatory government stance towards Mr Zhao.

Mr Bao, once Mr Zhao's personal secretary, was labelled the "black hand" conspirator behind last year's turmoil.

He was also specially implicated for "leaking state secrets" to elements out to subvert China.

CPPCC Committee Discusses Jiang Zemin's Speech

OW2906142090 Beijing XINHUA in English 1355 GMT 29 Jun 90

[Text] Beijing, June 29 (XINHUA)—The Standing Committee of the National Committee of the Chinese People's Political Consultative Conference (CPPCC) held a meeting to discuss Chinese Communist Party General Secretary Jiang Zemin's recent speech on united front work.

The committee issued a declaration that in order to build socialism with Chinese characteristics, invigorate China and realize peaceful reunification of the motherland, it is necessary to, under the leadership of the Communist Party of China, unite with all forces that can be united with, motivate all positive factors and give full play to the role of united front work.

The CPPCC Standing Committee members said that the recent national meeting on united front work has great historic significance and Jiang Zemin's speech provides guidelines for united front work in the new period.

The members called the united front a magic weapon and a great advantage of the Communist Party of China.

The CPPCC is the broadest united front organization in China and an important channel to carry forward democracy and link with people of various circles, they said.

New Committee Members Named

OW0107161990 Beijing XINHUA Domestic Service in Chinese 1113 GMT 30 Jun 90

[Text] Beijing, 30 June (XINHUA)—Names of additional vice chairmen and members, and transfers in some of the special committees of the Seventh Chinese People's Political Consultative Conference [CPPCC]:

(Approved at the 11th Session of the Standing Committee of the Seventh CPPCC National Committee on 30 June 1990)

Additions:

Huang Xinbai as vice chairman of the Education and Culture Committee;

He Zai as vice chairman of the Law Committee;

Peng Guanghan and Ma Qingxiong as vice chairmen of the Overseas Chinese Committee;

Wang Jifu as member of the Education and Culture Committee;

Bai Dahua, Wu Jiemin, Han Kai and Xie Shaoming as members of the Law Committee;

Yan Qinghan as member of the Medical, Health and Sports Committee;

Sun Pinghua as member of the Foreign Affairs Committee;

Wang Qingshu, Ye Zhishan, Feng Lida, Zhu Zuolin, Zheng Hongye, Jing Shuping, Zhao Yufen, Xie Yuchen, Xiong Xianghui and Pan Yuanjing as members of the Committee for Reunification of the Motherland.

Transfers:

Gu Yingqi from the Motions Committee to the Medical, Health and Sports Committee;

Huang Ganying from the Motions Committee to the Foreign Affairs Committee.

Meeting Closes

OW3006142490 Beijing XINHUA in English
1401 GMT 30 Jun 90

[Text] Beijing, June 30 (XINHUA)—The 11th meeting of the Standing Committee of the National Committee of the Chinese People's Political Consultative Conference (CPPCC) closed here today [30 June].

Wang Renzhong, vice-chairman of the CPPCC's National Committee, said the CPPCC's work is an important component of united front work in China. It is necessary to give full play to the role of the CPPCC in order to consolidate and develop the patriotic united front, to unite with all forces that can be united with, and to serve the reform and open policy and socialist construction.

Wang said the CPPCC should give priority to maintaining the stability of the state and society, help the Communist Party of China (CPC) and the government carry out the reform and open policy and the socialist modernization drive. He also said the CPPCC should further implement the CPC Central Committee's opinions on maintaining and improving the multi-party cooperation system led by the CPC and the political consultative system and the CPPCC's regulations on political consultation and democratic supervision to promote the reunion of the motherland.

At the five-day meeting, members of the Standing Committee discussed the spirit of the national conference on united front work and Jiang Zemin's important speech at the conference.

Forum Marks Anniversary of CPC's Founding

OW3006142790 Beijing XINHUA in English
1411 GMT 30 Jun 90

[Text] Beijing, June 30 (XINHUA)—Veterans and outstanding party workers held a meeting here today [30 June] to mark the 69th anniversary of the Communist Party of China (CPC). Song Ping, member of the Standing Committee of the Political Bureau of the Central Committee of the CPC, said that the success or failure of building the party of 49 million members is directly related to the rise or fall of the country and the victory or failure of the socialist modernization drive.

Song said the veterans and outstanding party workers have rich experience in party building. He said he hopes they pool their wisdom and efforts to further improve party building and increase the strength and combat effectiveness of the party.

Lu Feng, head of the Organization Department of the CPC Central Committee, said that since the fourth plenary session of the 13th Central Committee of the CPC held a year ago, the Central Committee headed by Jiang Zemin has implemented the party's basic line and adopted a series of measures to strengthen party building.

Lu said the CPC Central Committee has clarified theoretical questions confused by bourgeois liberalization ideology, re-examined nearly one million officials, appraised party members through mass discussion, cracked down on corruption, resumed close ties between the party and the people, and strengthened the management of officials.

Fourth Census Gets Under Way in Nation

OW3006092590 Beijing XINHUA in English
0740 GMT 30 Jun 90

[Text] Beijing, June 30 (XINHUA)—Beijing began to take a census of its 1.3 million floating population here last night [29 June].

At 8 p.m., the first group of census takers, accompanied by neighborhood committee heads, visited families living in the Congwenmen area in eastern downtown Beijing, an area well known for its large number of migrants including peddlers, tailors and construction workers from other parts of China.

"As most of the floating population usually do business in the daytime and return home late, we have to begin the operation late in the evening to ensure accuracy," Zhu Yilin, head of the municipal census office, told XINHUA.

When the census takers visited a shoemaker's family in the basement of a building, the host was preparing dinner. The family of three invited the census takers into their home and answered all the questions without any

hesitation. After completing the census form, the family was given a green card marked "registration completed".

As early as March this year the Qianmen neighborhood committee began to investigate the floating population in the area and visited all the temporary residents before the census forms were made available in May.

According to Zhu, a city-wide operation will begin this evening to make a census of all those of no fixed abode.

7 Million Investigators Move Out

OW0107083890 Beijing XINHUA in English
0535 GMT 1 Jul 90

[Text] Beijing, July 1 (XINHUA)—Early this morning [1 July] seven million investigators set out to all parts of China including the most remote and sparsely populated regions to count the latest number of inhabitants in the country.

The census, the fourth one in China since 1949 and the largest of its kind in the world, involves over 200 million families and 1.1 billion people.

Chinese Premier Li Peng describes the counting as "a sweeping mobilization of the society."

It is estimated that 50,000 new babies are born and 16,000 people die each day in China.

Due to the incompleteness of China's postal system and the inhabitants' poor level of education, investigators will have to carry out the large-scale survey through household visits. The census will last through July 10.

Experts regard the survey as a "complicated social project." Each household is required to fill out 21 items.

In addition, there are some 20 million "floating" people in China, who stay in one place for over one year without permanent residence. And in Beijing alone, there are 200,000 such people.

To ensure the accuracy of the counting, some 500,000 investigators have been trained.

Government leaders at various levels have given televised speeches in support of the census.

However, the counting has made some Chinese feel nervous, the migrant population fearing to be sent back home, families with "unplanned" children fearing punishment, and private businessmen fearing taxes.

To alleviate the worries, over 10 million activists went to streets and rural areas last Sunday to popularize knowledge about the census.

There are 40,000 investigators in Beijing, and each of them has to visit 100 families and 350 people, according to Chai Songqing, a local investigator.

The result of the counting will not be available and made public until June 1992.

Jiang Zemin, Li Peng Register

OW0107094790 Beijing XINHUA in English
0929 GMT 1 Jul 90

[Text] Beijing, July 1 (XINHUA)—About 100,000 census takers, instructors and neighborhood committee volunteers went to work in the Chinese capital here today [1 July] as the ten-day fourth national population census started.

In Chayuan Lane in west downtown Beijing, 8 census takers made door-to-door call at the 813 households involving over 2,400 people.

Name, age, family members, residence, work unit, occupation and the time they have lived in their residences were carefully inquired before the census takers filled the census paper.

As all the census takers had visited the households several times before the operation started today, registration went smoothly, taking only 10 to 20 minutes each household.

For those who were at work, the census takers will visit them again in the evening.

To ensure the accuracy of the registration, the municipal population census office has divided the city's 18 districts and towns into many census quadrats. Each quadrat is equipped with 4 to 5 census takers and every census taker is in charge of about 100 households with about 350 people.

It is learned that so far the municipal government has earmarked 15 million yuan on the program.

Chinese leaders Jiang Zemin, Li Peng and Wan Li registered at a station in Zhongnanhai this morning.

Further on Census

OW0207044890 Beijing XINHUA in English
1449 GMT 1 Jul 90

[Text] Beijing, July 1 (XINHUA)—China today [1 July] launched a nationwide population census, the largest ever in the world.

In a contingent of seven million census takers, some are making door-to-door investigations in cities; some are touring by bike in villages, riding horses in vast grasslands, or trekking on high mountains.

Streamers and banners are everywhere, calling residents to take part in the census.

Jiang Zemin, general secretary of the party Central Committee of the Chinese Communist Party, registered at a census station in Beijing.

He said: "The population census, the largest social mobilization at a peaceful time, will help us know better about the national conditions and provide reliable data for social and economic development."

About 100,000 census takers, instructors, and neighborhood committee volunteers went to work in the Chinese capital here today as the 10-day Fourth National Population Census started. They carefully checked residents' name, age, and other items.

The census drew attention from officials and specialists of Japan and the United Nations and foreign journalists.

Abdul Muniem abu-Nuwar [name as received], technical officer of the Population Data, Policy and Research Branch of Technical and Evaluation Division under the United Nations Population Fund, said after an on-the-spot observation that the registration items were pretty detailed and the job was well done, especially with a signature to insure the reliability of the registration. "All this is new to me," he added.

He said: "To compare the experience of the census in China with those in other countries will enhance my knowledge in this field." He believed that the final data of the census would be very useful to the future work of the United Nations Population Fund.

In the most densely populated city of Shanghai, more than 50,000 census takers from government organizations, schools, enterprises, and rural areas set out to visit families one by one. Some residents waited at home for registration while some went to census stations set at neighborhood committees.

In south China's Guangdong Province, more than 200,000 investigators were conducting the census in towns and villages.

Economic reform and opening to the outside world have brought a rapid economic development to the province, but have also complicated the population conditions because there are about five million floating population. They work in rural factories of foreign-funded enterprises.

In order to ensure timely registration, the province made preparations a year ago and established census guiding groups in various cities and counties.

Southwest China's Sichuan Province has a population of 110 million, the largest in the country. More than 480,000 investigators have been involved in the census.

In Yunnan Province, where ethnic minorities are most, about 120,000 census takers set out to visit 24 minority nationalities.

NPC Adopts National Flag Law

OW0107110590 Beijing XINHUA Domestic Service
in Chinese 0318 GMT 29 Jun 90

[The National Flag Law of the People's Republic of China adopted at the 14th Meeting of the Seventh National People's Congress Standing Committee on 28 June 1990]

[Text] Beijing, 29 Jun (XINHUA)—Article 1. The law is formulated according to the Constitution with the aim of maintaining the honor of the national flag, strengthening the citizens' sense of statehood, and nurturing a sense of patriotism.

Article 2. The national flag of the People's Republic of China is a five-starred red flag.

The national flag of the People's Republic of China is made in accordance with the explanation on making the national flag drafted by the Presidium of the First Plenary Session of the Chinese People's Political Consultation Conference.

Article 3. The national flag of the People's Republic of China is the symbol of the People's Republic of China.

Every citizen and organization should respect and protect the national flag.

Article 4. All levels of local people's governments will be responsible for supervision and management over raising, flying, and using national flags in their respective administrative areas.

Competent liaison departments of the Ministry of Foreign Affairs, the State Council, and the General Political Department of the Chinese People's Liberation Army will be responsible for supervision and management over raising, flying, and using national flags within their respective administrative areas.

National flags will be made by enterprises designated by the people's governments of provinces, autonomous regions, and municipalities.

Article 5. The following places or locations of organizations should raise and fly national flags every day:

- (1) Beijing's Tiananmen Square and Xinhuaamen;
- (2) The Standing Committee of the National People's Congress; the State Council; the Military Commission of the Central Committee of the Communist Party of China; the Supreme People's Court; the Supreme People's Procuratorate; and the National Committee of the Chinese People's Political Consultative Conference;
- (3) The Ministry of Foreign Affairs;
- (4) Exit and entry airports, sea ports, railway stations, and other border ports, frontier and coastal stations.

Article 6. Departments of the State Council, standing committees of all levels of local people's congresses, people's governments, people's courts, people's procuratorates, and all levels of local committees of the Chinese People's Political Consultative Conference should raise and fly national flags on working days.

Except during winter, summer holidays, and on Sundays, full-time schools should raise and fly national flags every day.

Article 7. All levels of state organs and civic organizations should raise and fly national flags on National Day, International Labor Day, New Year's Day, and on the Spring Festival; conditions permitting, enterprises, institutions, village committees, neighborhood committees, courtyards, (buildings), public squares, parks, and other public places should raise and fly national flags.

Autonomous organs in nationality autonomous regions will decide whether to or not to raise and fly national flags on the Spring Festival in regions inhabited by minority nationalities whose traditional festival is not the Spring Festival.

National autonomous regions may raise and fly national flags on the day marking the anniversary of the establishment of the nationality autonomous regions and on the days of traditional festivals of minority nationalities.

Article 8. When marking major occasions, holding commemorative activities, large cultural and sports events, and large-scale exhibitions, national flags should be raised and flown.

Article 9. The Ministry of Foreign Affairs will stipulate the methods of raising, flying, and using the national flag in diplomatic activities, and for the nation's embassies, consulates, and other diplomatic representative offices in foreign countries.

Article 10. Military units, Army barracks, and military vessels will raise and fly national flags according to the relevant regulations of the Military Commission of the Central Committee of the Communist Party of China.

Article 11. The competent liaison department of the State Council will stipulate the methods of raising and flying national flags on civil vessels and aboard foreign vessels that are in China's territorial waters.

The Ministry of Public Security under the State Council will stipulate the methods of raising and flying national flags aboard vessels of the Ministry of Public Security when performing the tasks of border defense, security, and firefighting.

Article 12. National flags should be raised in the morning and lowered in the evening when raising and flying national flags is done according to articles 5, 6, and 7 of this law.

Places and organs that should raise and fly national flags according to this law do not have to raise and fly national flags if the weather is bad.

Article 13. Flag-raising ceremonies may be held when raising and flying national flags.

During the flag-raising ceremony, participants should stand at attention and face toward the national flag to show respect when the national flag is raised; a band may play the national anthem and participants may sing the national anthem.

Except on holidays, full-time secondary and primary schools will hold one flag-raising ceremony per week.

Article 14. Flags should be lowered at half mast to show mourning when one of the following persons die:

(1) The president of the People's Republic of China, the chairman of the Standing Committee of the National People's Congress, the State Council premier, the chairman of the Military Commission of the Central Committee of the Communist Party of China;

(2) The chairman of the National Committee of the Chinese People's Political Consultative Conference;

(3) Persons who have made outstanding contributions to the People's Republic of China;

(4) Persons who have made outstanding contributions to world peace and human progress.

When accidents that cause unusually heavy casualties happen and when serious natural disasters that cause heavy casualties occur, flags may be lowered to half staff to show mourning.

The State Council will decide on lowering the flag at half staff as stipulated in Article 14, clause 1, item (3), (4), and in Article 14, clause 2.

The funeral committee organized by the state or the State Council will decide the date and place of flying the flag at half staff as stipulated in this article.

Article 15. When raising and flying the national flag, it should be placed at a prominent location.

In parades where national flags and other flags and banners appear at the same time, national flags should be placed in front of other flags and banners.

When raising and flying national flags along with other flags and banners at the same time, national flags should be placed at the center, and at a higher and more prominent place than other flags and banners.

When the occasion arises for raising and flying national flags of more than two countries, raising and flying national flags should be done according to the stipulations of the Ministry of Foreign Affairs and according to international practices.

Article 16. When raising or lowering national flags on an upright flag pole, allow the national flag go up or go down the pole slowly; when raising the national flag, it should be raised to the top of the flag pole; when lowering the flag, it should not touch the ground.

When lowering the national flag to half staff, it should first be raised to the top of the flag pole, then should be lowered to a place where the distance between the top of the flag and top of the flag pole equals one-third of the whole length of the flag pole. When lowering the national flag, first raise it to the top of the flag pole, then lower it.

Article 17. Worn, dirty, faded, and substandard national flags should not be raised and flown.

Article 18. It is forbidden to use the national flag and its design as a trade mark or in advertising; it is also forbidden to use the national flag and its design at private funeral services.

Article 19. Criminal charges will be brought against those who are responsible for wanton burning, destroying, smearing, and trampling the national flags with the purpose of degrading it. Public security organs will, according to the regulations on administrative penalties for public security, punish minor offenders with 15 days or less of detention.

Article 20. This law will come into effect on 1 October 1990.

Appendix: Explanation on the method of making the national flag (promulgated at the Plenary Session of the First Chinese People's Political Consultative Conference on 28 September 1949)

The shape and color of the national flag are the same on both sides, with five symmetrical stars on both sides. For the sake of convenience, the explanation in this appendix is based on the side of the national flag when the flagpole is on the left side. What is called left in this appendix should be right for the other side of the flag when the flagpole is on the right side.

(1) The national flag is a rectangular red flag, whose ratio of length and height is 3 to 2. The upper left side of the flag is decorated with five-pointed yellow stars. One of them, with a diameter around the circle of $3/10$ of the height of the flag, is comparatively bigger and is placed on the left. The other four smaller stars, with a diameter around the circle of $1/10$ of the height of the flag, arch the bigger star on the right. The case for the flagpole shall be white.

(2) The position of the five stars and the method of drawing them are as follows:

A. To make it easy to determine the position of the five stars, the flag should first be divided into four symmetrical rectangles. Then the upper left rectangle should be divided into 10 equal parts horizontally from top to bottom and into 15 equal parts vertically from left to right.

B. The center of the bigger five-pointed star should be point five from top and bottom and point five from left and 10 from right. The method of drawing the star is as follows: A circle with a radius of three equal parts should be drawn with the center of the star as the center. On the circumference of the circle five equal-distance points should be marked out, with one of them perpendicular to the flag. A straight line should be drawn to connect the distance between the two points. The outer shell formed by the straight lines joining the two points will be the required bigger star. One of the points of the star should be perpendicular to the flag.

C. In determining the centers of the other four smaller stars, the first center should be point two from top and point eight from bottom, point 10 from left and point five from right; the second center should be point four from top and six from bottom, point 12 from left and three from right; the third center, point seven from top and three from bottom, point 12 from left and three from right; the fourth center, point nine from top and one from bottom, point 10 from left and five from right. The method of drawing the four smaller stars is as follows: Four circles with a radius of one equal part each should be drawn by using the four centers of the four smaller stars as the center. Five equal-distance points should be marked on each of the circles; with one of the points of the four circles facing the center of the bigger five-point star. After this, four smaller five-point stars should be structured by employing the same method of making the bigger star.

(3) It has been decided that the national flag will have five sizes. They should be used by taking into consideration the circumstances.

A. The first size is 288 centimeters long and 192 centimeters high.

B. The second size is 240 centimeters long and 160 centimeters high.

C. The third size is 192 centimeters long and 128 centimeters high.

D. The fourth size is 144 centimeters long and 96 centimeters high.

E. The fifth size is 96 centimeters long and 64 centimeters high.

Supplement to Flag Law

OW3006001990 Beijing XINHUA Domestic Service in Chinese 0030 GMT 29 Jun 90

[Text] Beijing, 29 Jun (XINHUA)—The 14th meeting of the Seventh National People's Congress Standing Committee has decided to add this supplementary provision to the criminal law: Whoever deliberately desecrates the flag and insignia of the People's Republic of China by burning, mutilating, scrawling on, smearing, or trampling in public areas shall be sentenced to imprisonment, criminal detention, or control, or have his or her political rights deprived, for a period of up to three years.

Leaders Meet Academic Degrees Committee Members

OW2906141690 Beijing XINHUA in English 1338 GMT 29 Jun 90

[Text] Beijing, June 29 (XINHUA)—Chinese leaders Jiang Zemin, Li Peng and Li Tieying met here today [29 June] with representatives at the fourth meeting of the appraisal panel of the State Council's Academic Degrees Committee.

Premier Li Peng said the academic degree appraisal system, in operation for nearly a decade, has played an

important role in improving academic levels, promoting scientific and technological development, and training personnel.

Li said China has an academic degree appraisal force with experts from various disciplines [sentence as received]. The training of people for advanced degrees should be based on future domestic resources and strengthen international academic exchange, he said.

Li said: "We hope the high-level personnel we have trained are qualified academically as well as politically, meaning that they love socialism and serving the people."

Li called for those who hold doctorate or master's degrees to test themselves in practice. He also asked that governments at all levels, research institutes and enterprises create good working conditions to help them develop healthily.

Jiang Zemin, general secretary of the Central Committee of the Communist Party of China, said he hoped that more flowers of science and technology will blossom in the motherland.

Vice Premier Wu Xueqian Opens Antique Display

OW2906145190 Beijing XINHUA in English
1410 GMT 29 Jun 90

[Text] Beijing, June 29 (XINHUA)—An exhibition featuring select Chinese cultural relics opened today [29 June] at the Wenhuan (Hall of Cultural Achievements) of the Palace Museum in the heart of Beijing.

Vice-Premier Wu Xueqian cut the ribbon at the opening ceremony, attended by 500 Chinese and foreign experts from cultural circles.

Zhang Deqin, director of the China Administrative Bureau of Museums and Archaeological Materials, said the exhibition is a special "gift" for friends throughout the world as well as the people of China.

Although 245 items of antiques on show, which range from the fossilized skull of ape-man four million years ago to handicrafts of the Ming Dynasty (1368-1644), constitute a very small part of China's collection of cultural relics, he said, the exhibition is "incomparable" to any previous exhibition in terms of history, new discoveries, and historic, scientific and artistic value.

The entrance ticket for foreigners comes with a copper replica of a Shang Dynasty (1600-1100 B.C.) mask, unearthed in Sichuan Province.

The 900-square-meter exhibition, sponsored by the State Administrative Bureau of Museums and Archaeological Materials, the Palace Museum and the China Cultural Relics Exchange Center, will run through the end of the year.

Book on Reforming of War Criminals Published

OW2906105590 Beijing XINHUA in English
0938 GMT 29 Jun 90

[Text] Shenyang, June 29 (XINHUA)—A book entitled, "The Miracle That Rocked the World" was published recently by the China Culture and History Publishing House.

The book gives a minute description of how the Chinese Government reformed Japanese and Chinese war criminals after the Second World War, including Aisin Gioro Puyi, former emperor of the puppet state of "Manchukuo".

With 240,000 characters and some pictures of historical significance, it describes for the first time the detailed process of promulgating a set of policies and measures concerning the remoulding of war criminals by the late Chairman Mao Zedong and Premier Zhou Enlai.

Hani Nationality Women Battle Male 'Chauvinism'

OW2906125990 Beijing XINHUA in English
0938 GMT 29 Jun 90

[Text] Kunming, June 29 (XINHUA)—The traditional male chauvinism which used to prevail among the people of the Hani nationality is steadily giving way to a new sense of self-assertion among the womenfolk.

A campaign to educate the local people in the laws of the land and the rights of women is bearing fruit these days among the Hani, who live in the mountainous area of south Yunnan Province. The Hani women, who used to be called "sleeping cats" for meekly submitting to the custom of male chauvinism, have risen one after another to fight for their rights.

The Hani are one of 15 nationalities in China, each with a population of over one million. About 600,000 of the Hani people live in the Honghe Hani and Yi Autonomous Prefecture in Yunnan.

Traditionally, Hani women used to have a low social position and had to work very hard. Most of them were forced to get married at the age of seven or eight.

Such "child marriages" often resulted in couples without love. When the man wanted a divorce, he only needed to fetch a rice stalk or a wooden stick, break it into two parts and throw one part to his wife. Then, their marital relations would be over.

However, if the woman wanted to divorce, things would become very difficult. If the man refused to give back the "ashouma", a piece of wood carving or a pair of shells used as a symbol of the marriage, the divorce would be impossible; sometimes women were driven to suicide in such cases. If the man agreed to divorce, the woman had to return the betrothal gifts. But, since the woman had had no chance to save any money in a Hani family, she could get the divorce only after she had found another

man to pay back the value of both the betrothal gifts to her parents and to her former husband.

In early 1980s a special investigation by the people's government of Honghe County brought to light this unfair situation and the government immediately promulgated laws banning such practices.

After that the illegal "child marriages" gradually disappeared. However, arranged marriages, marrying too early, marriages without registration and divorces without going through the courts were still common. Women's legal rights to freedom of marriage and to equality between the sexes were still not properly safeguarded.

In 1984 the judicial department of Honghe Prefecture launched a campaign to spread knowledge about the Constitution, marriage law, inheritance law and other laws throughout the prefecture. About 10,000 propagandists were organized to go to the countryside to give lectures, present song-and-dance performances, show slides and hold exhibitions.

As a result, an official from the prefectural judicial department told XINHUA, the Hani women now know how to rely on the weapon of the law to protect themselves. Many women have brought lawsuits demanding divorces or inheritance.

Once, when a judicial official arrived at Azhahe Township, Li Bomei, a 16-year-old girl, came to him, laid a sum of money on the table and said she wanted to break off her engagement, which had been arranged by her parents. Pointing to the money, she said it was the betrothal gift her parents had received from a man she didn't love. She stressed that she hoped to have freedom to marry and preferred death to submitting to the arranged marriage. The judicial official supported her and spent three days convincing her parents to return the betrothal gifts to the man.

In the past, many Hani women considered the registration of marriage as troublesome. However, they now realize that this is important if they wish to have the protection of the law.

A survey showed that 8,000 out of the 9,800 marriages in 1987 in Honghe County had not been registered. But after learning about the laws, 7,400 of the unregistered couples legally registered and over 70 illegal engagements were broken off.

Meanwhile, some other old Hani customs such as the one forbidding a woman to wear shoes in front of her father-in-law or to have a meal at the table together with a man, have also been stamped out. Besides, more and more Hani women go and do business in the markets. They now have their own money and sometimes even handle the finances of the whole family.

Party Veterans Discuss Reform Prospects

OW2806234990 Beijing XINHUA in English
1344 GMT 27 Jun 90

[Text] Beijing, June 27 (XINHUA)—Four veteran revolutionaries said that China should adhere to the policy of reform and opening to the outside world while carrying forward the fine traditions of the Communist Party of China (CPC).

In an interview with XINHUA, Wu Xiuquan, 82, member of the Standing Committee of the Central Advisory Commission of the CPC, said that one of the most important traditions of the CPC is to serve the people wholeheartedly. Reform and opening to the outside world does not mean alteration of the party's fine traditions. So long as every Communist Party member serves the people wholeheartedly, the party with 49 million members will be able to lead hundreds of millions of people to march forward.

Wang Shoudao, 84, said the reason the Communist Party of China has such strong vitality and enjoys the support of the people is that the party's roots are among the masses and it strives to protect the welfare and interests of the people. Wang is a former secretary of the Hunan provincial Party committee, secretary of the central-south party bureau, minister of communications, secretary of the Guangdong provincial party committee, and vice chairman of the National Committee of the Chinese People's Political Consultative Conference. He is now a member of the Standing Committee of the Central Advisory Commission of the CPC.

General Xiao Ke, 82, member of the Standing Committee of the Central Advisory Commission of the CPC, hopes that all members of the Communist Party maintain the workstyle of hard struggle and play an exemplary role in the socialist modernization drive.

Cheng Zihua, 85, also member of the Standing Committee of the Central Advisory Commission of the CPC, said that the Central Committee of the CPC, headed by Jiang Zemin, has adhered to reform and opening to the outside world, as well as carried forward the fine traditions of the party, achieving great successes. He said that, over the years, the party has overcome countless difficulties and hardships, achieving victories one after another. "The fundamental reason is that the party has maintained its fine traditions and its flesh-and-blood ties with the masses, and therefore, enjoyed the support of the people," he said.

Shaanxi, Shandong Sign Economic Agreement

HK2906125790 Xian Shaanxi Provincial Service
in Mandarin 2300 GMT 27 Jun 90

[Text] A signing ceremony for a stable and long-term economic and cultural agreement between our province and Shandong Province was held in Xian on 26 June. Our provincial party secretary, Zhang Boxing, and Shandong Provincial Party Secretary Jiang Chunyun

addressed the ceremony. They stated: Both sides will make efforts to promote further economic and cultural cooperation between the two provinces.

Responsible comrades of the two provinces maintained: In recent years, the two provinces have scored certain achievements in their economic cooperation. They agreed to further consolidate and develop their stable economic and cultural cooperative relations. They were determined to exchange information, assess the situation, exchange experiences, and learn from each other's strong points in terms of agriculture, industry, science and technology, foreign trade, tourism, utilization of foreign capital, and imports of foreign technology in the interest of promoting further economic and cultural development of the two provinces.

Education Commission on School Inspections

OW2906143690 Beijing XINHUA Domestic Service
in Chinese 1024 GMT 23 Jun 90

[Text] Beijing, 23 Jun (XINHUA)—The State Education Commission recently issued a press communique on the results of inspecting and providing supervisory guidance to elementary and middle schools in five respects.

Entrusted by the State Council, the State Education Commission and other relevant departments conducted a supervisory inspection of elementary and middle schools in 26 provinces, autonomous regions, and municipalities directly under the central government in the second half of 1989 to look into their moral education, educational funds, implementation of policies on education budget expansion and teachers' salaries, renovation of dangerous old school buildings, and efforts to end students' dropping out and indiscriminate collection of unjustifiable fees.

The communique points out: Under the guidance of the guidelines of the fourth and fifth plenary sessions of the party's 13th Central Committee, elementary and middle schools have begun to strengthen moral education. Twenty provinces, autonomous regions, and municipalities directly under the central government have established moral education leading groups or coordinating committees, headed by party committee and government leaders, while some provincial (autonomous regional and municipal), city (prefectural), and county education departments have generally set up special organs or assigned special personnel to take charge of moral education. The majority of the principal cities have attended to educational work by integrating schools with families and society. A moral education outline or program for elementary and middle schools has been implemented on a trial basis in various localities. Ideological, political, and moral character subjects are being renovated in a planned way, and education on a code of conduct is being universally launched. Some schools have begun to attach importance to labor education and social practice. During the inspection, it was discovered that a number of localities failed to sufficiently understand the importance of moral education in elementary

and middle schools, and that no effective measures had been adopted to ensure society's concern and support for the healthy growth of young people. Many localities and schools did not pay sufficient attention to labor education and social practice.

The communique says: The policy on educational budget expansion has been basically implemented. A sample survey of 26 provinces, autonomous regions, and municipalities directly under the central government shows that from 1985 to 1988, the average rate of increase in budgetary educational appropriations of 23 was higher than the average rate of increase in regular revenue income in the same period. Among the 23 provinces, autonomous regions, and municipalities, the yearly increase of budgetary education appropriations of 18 percent was higher than that of regular revenue income. During the same period, educational funds for elementary and middle schools were also increased substantially. Except for a slight drop in the educational funds of five provinces in 1987, all other localities were able to increase their educational budget. While increasing budgetary educational appropriations, various local governments made up for insufficient funds, to a certain extent, by organizing people of all circles in society to raise educational funds through various channels. The serious shortage of educational funds is an outstanding problem we are facing today. The communique points out that budgetary educational appropriations still made up a small percentage of the total expenditures of various localities, and there was a downward trend in providing free scholarships to elementary and middle school students. Comparing 1988 with 1984, the ratio between scholarship funds and total educational budgets of middle schools throughout the country dropped from 35.31 to 23.5 percent, and the ratio between scholarship funds and total educational budgets of elementary schools declined from 24.33 to 14.9 percent. In the countryside, extra educational charges were universally insufficiently collected.

The salary and social benefits of teachers of elementary and middle schools have been raised by varying degrees. This has resulted in a trend favorable to the stabilization of the teachers' contingents. Sixteen provinces, autonomous regions, and municipalities have implemented the policy of upgrading the salary of teachers of public elementary and middle schools. There are no more civilian-run schools in Shanghai and Beijing. Of the remaining 24 provinces, autonomous regions, and municipalities, 10 will be able or partially able to assume responsibility for the state-subsidized portion of the salary of teachers of civilian-run schools. The communique points out that although there has been a marked increase in teachers' salary, the average wages of teachers of public elementary and middle schools, except in a small number of areas, are still rather low compared with those in 12 state-run trades. There is a serious shortage of housing for teachers of public elementary and middle schools, and the problems of unpaid medical bills and employment for their children have not been properly

solved. The wages of teachers of civilian-run schools are rather low; besides, they frequently do not receive their pay on time.

The result of the inspection shows that marked achievement has been made in renovating dangerous buildings of elementary and middle schools. During the 1981-88 period, 31.92 billion yuan was used in the renovation of school buildings, creating completely new or remodeled floor space of 260 million square meters, approaching 50 percent of the total floor space of present buildings. As of September 1989, the ratio of dangerous buildings in elementary and middle schools across the country decreased to 4.44 percent from 17 percent in 1980. The communique also points out that, as of September 1989, the ratio of dangerous buildings of elementary and middle schools in five provinces and autonomous regions was still over 10 percent.

The communique says initial success has been achieved in controlling the dropout rate of elementary school students, while that of middle school students is still high. The dropout rate of elementary school students in urban and rural areas across the country was 3.2 percent in the 1988-89 school year, a decrease of 0.1 percent from the 1987-88 school year. The dropout rate of junior high school students was 7.3 percent in the 1988-89 school year, an increase of 0.6 percent over the 1987-88 school year. Of the 26 provinces, autonomous regions, and municipalities directly under the central government covered in the sample survey, 17 had a higher dropout rate of junior high school students in the 1988-89 school year than in the 1987-88 school year. The reasons for the dropping out of elementary and middle school students include social, family-related, and educational factors. It is necessary to continue to conscientiously give publicity to implementing the "Compulsory Education Law" and effectively put a stop to the dropping out of elementary school students. This is an important link for stopping the spread of illiteracy among the young and promoting national quality.

The communique says the problem of indiscriminate collection of unjustifiable fees has been corrected. Of the 26 provinces, autonomous regions, and municipalities directly under the central government, 23 have already enacted, jointly by their educational, financial, and price departments, regulations governing the standard and administration of fee collection for elementary and middle school students. At present, problems such as recruiting unscheduled students and returned students and charging them high tuition cannot be effectively stopped. Such phenomena as relevant departments and society unjustifiably allocating schools financial and other burdens occur occasionally.

Based on the aforementioned situation, the State Education Commission has put forward the following opinions on improving the educational work of elementary and middle schools:

1. It is imperative that moral education be given priority. Efforts must be made to overcome the trend of a one-sided pursuit of increasing the proportion of students entering schools of a higher grade to the neglect of moral, physical, and labor education.

2. It is suggested that the relevant departments of central and local governments pay attention to implementing the development of education on a priority basis during the period of improving the economic environment and rectifying the economic order, fully play the role of a major channel of financial appropriations for educational expenditures, and gradually increase the proportion of budgetary educational appropriations in the total financial expenditures. Meanwhile, we must further carry out the guiding ideology of "depending upon the people to run education and running education well for the people" and organize people of all circles in society to raise funds for education.

3. We must continue to implement all policies dealing with raising salaries of elementary and middle school teachers adopted by central and local governments. All localities should take measures to gradually solve problems such as shortage of housing for teachers of state-run schools, insufficient support for medical bills, and employment for their children. All localities should also solve quickly the problem of not paying salaries to teachers of civilian-run schools on time.

4. Efforts should be made to further implement and perfect a system in which schools are run by different levels of governments and administered by professional experts. Educational affairs should be handled in accordance with the law, and compulsory education must be implemented thoroughly.

5. We should establish and strengthen an educational supervision system and enhance the construction of full-time educational supervision contingents to enable them to fully play the role of supervision, inspection, evaluation, and guidance.

Primi Nationality Featured in Series

*OW2906134190 Beijing XINHUA in English
0800 GMT 29 Jun 90*

[42d in series "Knowledge About China," which began 16 April: "Primi Nationality]

[Text] Beijing, June 29 (XINHUA)—The Primi nationality, with a population of more than 24,000, is mainly found in certain areas of southwest China's Yunnan and Sichuan Provinces.

They have their own language, but most of them use Han characters to write.

The Primi nationality used to be a nomadic tribe on the Qinghai-Tibet plateau until the 13th century.

The Primi mainly engage in agriculture, and their major crops are maize, wheat, broad beans, barley and oats.

They also go in for animal husbandry, wool spinning, hunting, wine making and gathering medicinal herbs.

The Primi people are animists and worship their ancestors, although some believe in Lamaism or Taoism.

The major festivals of the Primi nationality include the spring festival and the "half-month festival". At the spring festival, families of the same clan dine together and indulge in horse racing, archery, wrestling and jumping. The Primi people are adept at singing and dancing, and hold "singing dialogues" at marriages, funerals and festivals.

Qiang Nationality Discussed

OW2906134990 Beijing XINHUA in English
0951 GMT 29 Jun 90

[43rd in the series "Knowledge About China," which began 16 April: "Qiang Nationality"]

[Text] Beijing, June 29 (XINHUA)—The Qiang nationality, with a population of about 102,000, is distributed in some parts of Sichuan Province. They have their own language, but no written form. Many Qiang people use the Han language and characters.

The Qiang people call themselves "erma" or "ermie", which means local people. There are records of the Qiang nationality in the inscriptions on bones and tortoise shells of the Yin Dynasty, as early as 3,000 years ago. In the Qin (221-207 B.C.) and Han (206 B.C.-A.D. 220) dynasties, there were two branches of the Qiang nationality in the northwest of Sichuan. In the Tang Dynasty (618-907), one tribe was assimilated by the Tibetan nationality.

The Qiang mainly engage in agriculture, and their major crop is maize. A white bean called "big bean of the snow mountain" is a famous local product in the Qiang area. They also raise goats, and produce the noted "copper goat". Their traditional crafts include embroidery, weaving and cross-stitch work.

XINHUA Correction of Yuan Mu Interview

HK2706143290

The following correction pertains to the item headlined "Yuan Mu's KYODO Interview Discussed," published in the 25 June China DAILY REPORT, pp 19-21:

Beijing RENMIN RIBAO in Chinese on 26 June carries in the lower center-right of page 2, under the title "Amendment by XINHUA Domestic Service," the following announcement:

"This service on 23 June filed an item entitled: 'Yuan Mu Meets Japanese KYODO NEWS SERVICE Reporters' (see RENMIN RIBAO 24 June, page one). The passage '...depend on the previous eight five-year plans...' in paragraph six should be amended to '...depend on the Eighth Five-Year Plan...'"

This corrects paragraph six, sentence four in the DAILY REPORT.

Comparison of Ding Speech on United Front

HK2006054190

Beijing RENMIN RIBAO on 17 June carries on pages 1 and 2 a 1,800-character report entitled "National United Front Work Conference Ends." This item has been compared with the Beijing XINHUA domestic Chinese version published in the 18 June China DAILY REPORT, pp 26-27, revealing the following variations:

First full paragraph, first column on page 27, the first sentence reads: It is necessary to study dialectics, uphold the theory that "one divides into two" [liang dian lun 0357 7820 6158] and execute policies correctly. (supplying vernacular and stc's for "one divides into two")

Same paragraph, sentence seven reads He said: "We should seek common ground while distinguishing the difference; there must be principles, as well as flexibility; we should stress unity, cooperation, friendship, and human feelings in combination with good-intentioned help and education; there must be criticism, as well as self-criticism; we must oppose closed-doorism and perfunctory attitudes, as well as accommodation." (adding passage)

Science & Technology

Song Jian Praises Model Scientific Workers

OW2906131990 Beijing XINHUA in English
1213 GMT 29 Jun 90

[Text] Beijing, June 29 (XINHUA)—Ten Chinese Communist Party members, who have made outstanding contributions to China's modernization, gave reports at a gathering of scientists and journalists at the Hall of Science here today.

The ten speakers, selected by the Chinese Association of Science and Technology (CAST), including engineers, professors, medical doctors and a water resources expert, come from different parts of the country.

These intellectuals were selected because their hard work and deeds have demonstrated the lofty value of life of a communist, according to a CAST official.

Song Jian, minister in charge of the State Commission of Science and Technology, said the contributions made by Chinese scientists prove that they are the backbone of the nation and the major force in China's modernization program.

"Chinese scientists are highly trusted by the party and the people no matter what happens. Scientists should play a leading role in the mainstream of social progress," he added.

Wen Jiabao, an alternate member of the Secretariat of the Chinese Communist Party Central Committee, in his speech, said the ten party-member model scientists have not only made contributions to the people and the state, but also won honors for the party. "Their deeds embody the glorious spirit of a party member," he said.

Photolithographic Technology Successfully Tested

OW0207074390 Beijing XINHUA Domestic Service
in Chinese 0941 GMT 27 Jun 90

[By KEJI RIBAO reporter Huang Yong (7806 0516), and XINHUA reporter Chen Jinwu]

[Text] Beijing, 27 Jun (XINHUA)—According to the Institute of High Energy Physics of the Chinese Academy of Sciences, Chinese scientists working with the photolithographic beam newly installed at the collider and synchronous radiation experiment area in Beijing have successfully conducted China's first photolithographic experiment with synchronous radiation technology. They have obtained clearly defined lines of resolution as narrow as one micron. This success signals a bright future for the development of super-large integrated circuits in China.

Following the development of devices made of super-large integrated circuits, the microelectronics industry requires a technology capable of producing very narrow photolithographic beams. In fact, the technology for producing submicron photolithographic beams has already been developed. It is universally acknowledged that synchronous radiation is the best soft X-ray and optical source for development of such a technology, which is known only to a few developed countries such as the United States, Japan, and the Federal Republic of Germany. When the Chinese scientists conducted their experiment, they obtained lines with high contrast and high resolution even though the electronic stream was low when the positive and negative electrons collided in the storage loop. This success means that China ranks among the developed nations in this area of high technology research.

The experiment's success can be attributed to the combined efforts of the Microelectronics Center and the Institute of High-Technology Research of the Chinese Academy of Sciences, the Changchun Optical Equipment Institute, and the Chengdu Optical and Electronics Institute. After five years of cooperation, they successfully designed and produced the synchronous optical beam for photolithography, a photolithography laboratory, submicron photolithographic equipment, and X-ray masking technology.

Military

Yunnan MD Commander Transferred to Gansu MD

OW0107061090 Beijing XINHUA Domestic Service
in Chinese 0402 GMT 1 Jul 90

[Newsletter by XINHUA reporter Duan Jianxun: "The Transfer of a General"]

[Text] Chengdu, 1 Jul (XINHUA)—A train destined for the northwest part of our motherland was waiting at the brightly illuminated Chengdu Railway Station one late June evening, its whistle blowing intermittently.

Then, a senior military officer of the People's Liberation Army [PLA], Major General Sun Cuiping, commander of the Yunnan Military District [MD], stepped into a car with hard sleeping berths. As soon as he sat down, he struck up a pleasant conversation about virtually everything with the other passengers, including teachers, workers, cadres, buyers, and peasants sleeping above and around him.

Sun Cuiping was appointed commander of the Gansu Military District. After he received the order in Chengdu, he immediately prepared to report to his new unit, and he did not have enough time to return to Kunming to say goodbye to his family. But there was no scheduled flight from Chengdu to Lanzhou that day, and all the tickets for the soft sleeper were sold out. Postponing his departure would mean possibly missing the deadline prescribed in the order. Thus he decided to ride in the hard sleeper. He even told his aides that he had to leave, even if only a hard seat was available.

Upon seeing him off, the leading comrades of the Chengdu Military District Political Department repeatedly apologized to Sun Cuiping. He laughed and said: "A military order must be followed without delay. Senior cadres should do even better than the rank and file in following orders. Moreover, traveling in a hard sleeper will give me more opportunities to talk to the ordinary people."

The train began to move. People were waving farewell to their families. Sun Cuiping was also waving. Then the train sped toward the loess plateau far, far away.

Air Force Implements New Flight Regulations

OW0107084190 Beijing XINHUA Domestic Service
in Chinese 0303 GMT 1 Jul 90

[By correspondent Li Yongfang (2621 3057 5364) and reporter Cai Shanwu (5591 0810 2976)]

[Text] Beijing, 1 Jul (XINHUA)—Starting today, the people's Air Force implemented a new set of flight regulations and training outlines. Relevant responsible Air Force comrades maintain that further improvement of the rules and regulations governing flight training will definitely enable the Air Force to press ahead with modernization and regularization.

The flight regulations and training outlines have gone through several revisions since the establishment of the people's Air Force. As the equipment of Air Force units has been continuously renovated and, in particular, as greater changes have taken place in training contents, methods, and measures following reform of flight training in recent years, the original flight regulations

and training outlines can no longer meet the needs of education, training, and combat.

The new "Flight Regulations" and "Outlines for Flight Training" are the generalization and summation of experiences acquired by the Air Force over the past 40 years. Containing more than 10,000 detailed rules and a total of 2.5 million words in 25 volumes, they include general rules, detailed rules and regulations, target requirements, and scope of duties. They are suitable for use by flight units, flight academies, and training bases that have more than a dozen different models of aircraft. They are designed mainly to improve training quality and enhance the combat effectiveness of flight units. Very scientific and advanced, they form a set of unified training methods and measures well suited to the Air Force's requirements for development.

Intellectuals' National Defense Efforts Praised

HK0207055290 Beijing RENMIN RIBAO in Chinese
25 Jun 90 p 3

[Article by Su Kuoshan (5685 2368 0810): "Intellectuals Show Their Talent in Scientific Research on National Defense—An Interview With Shen Rongjun, Vice Chairman of the National Defense Science, Technology, and Industry Commission"; date and place not given]

[Text] When he was interviewed, Vice Chairman of the National Defense Science, Technology, and Industry Commission Shen Rongjun said: The achievements scored over the past 30 years or more under the National Defense Science, Technology, and Industry Commission point to the fact that modernization cannot work without intellectuals and that intellectuals can realize their ideals and enjoy bright prospects only by integrating themselves with practice and working together with workers and peasants.

For Shen Rongjun, who began his career in national defense research and testing in 1959, the memory of each achievement made over the past 30 years is still fresh. He said: "For over 30 years, national defense research and testing started from a 'blank sheet,' developed steadily thereafter, and has kept improving. All along, the progress has provided our army with what is needed for developing from a mere land force into a combined army with an air force, navy, Second Artillery Force, and other technical arms. Achievements in this field have also promoted the development of science and technology in many other disciplines."

He went on to say that in the course of the practice which has brought about these important achievements, numerous groups of excellent intellectuals prepared to devote themselves, work assiduously, yet remain out of the limelight have made important contributions. An old generation of intellectuals, such as Qian Xuesen and Zhu Guangya, initiated national defense research and testing. They pioneered this new endeavor and made tremendous contributions with their keen sense of political responsibility and their immense erudition. Middle-aged

intellectuals are the principal force in developing national defense research and testing. It is they who have laid the foundation of this cause. They began integrating themselves with workers and peasants as soon as they left campus in the 1950's or 1960's. They tempered themselves at the forefront of various fields, added to their experiences and talents, and have now become a principal force. Senior Colonel Lu Zaide [7120 6528 1795], a one-legged high-grade engineer at Baicheng Weaponry Testing Center, threw himself into the testing of conventional weapons on Horqin Grassland in 1953. Handicapped as he is, Lu Zaide has worked conscientiously and selflessly for over 30 years and contributed a dozen achievements to the testing of conventional weapons. Hu Shixiang [5170 0013 4382], deputy head of Xichang Satellite Launching Center, dedicated himself to launch testing of spacecraft soon after he graduated from university. The rich experiences he accumulated over more than 20 years have enabled him to make precise judgments and give correct instructions at many critical moments during launch tests. Others among this generation of intellectuals include Wu Zhizhong [1566 5268 0022] at Xian Satellite Testing and Control Center and Liu Zhengchong [0491 2398 1504] at China Aerodynamics Research and Development Center, who have also manifested to the party and the people their love for and loyalty to the motherland with their devoted and exemplary efforts.

When talking about young intellectuals, Shen Rongjun said that those working at the forefront of national defense research and testing have carried forward the fine tradition of hard struggle with full enthusiasm and unremitting efforts. For example, Liu Binghua [0491 3521 5478], a young engineer working with a survey vessel named "Yuan Wang," holds that his value finds expression in promoting the motherland's space technology and his ideal is rooted in his assiduous work. Since he started working on board the vessel in 1982, he has been to the southern Pacific eight times and dedicated his youth to astronautic surveying on the ocean. He has more than 10 achievements in his research work.

Comrade Shen Rongjun concluded by saying that intellectuals are the basic force of science and technology for national defense and without them, nothing can be achieved. During the past 30 years and more, the National Defense Science, Technology, and Industry Commission has provided ample opportunities for intellectuals to use their talents and has carried on the fine tradition of "loving, training, and utilizing talent." When this cause was first initiated, Marshal Nie Rongzhen was entrusted by the CPC Central Committee with the responsibility for founding a contingent of red-and-expert intellectuals from a strategic point of view so as to make it the order of the day to respect both knowledge and people with such knowledge. Despite various setbacks in the decades that followed, we have always relied upon intellectuals in the field of technological development for national defense. Since 1978, the commission has carried out three inspections on the

implementation of policies for intellectuals, emphasizing that they should be trusted politically, given a free hand in their work, and cared for in their daily lives, thus creating conditions for them to utilize their talents. National defense research departments warmly welcome broad ranks of intellectuals to join them and display their talents, and the National Defense Science, Technology, and Industry Commission will provide "class-rooms" where they can develop further and make their contributions.

Economic & Agricultural

Commentator Promotes Enterprise Initiative

HK0207042590 Beijing RENMIN RIBAO in Chinese
27 Jun 90 p 1

[Commentator's Article: "Mobilize the Initiative of All Quarters in Enterprises"]

[Text] What is the foundation for successfully running an enterprise? For the enterprises themselves, we should now particularly make clear the basic viewpoint that it is necessary to arouse the initiative of all quarters in the enterprises.

Why should we stress the initiative of all quarters in the enterprises? Because some comrades now still have confused ideas about this issue.

Some comrades have said: "In recent years, sometimes stress was placed on arousing the initiative of factory directors, sometimes on arousing the initiative of party secretaries, and sometimes on arousing the initiative of workers. In different times, stress was placed on different people, which caused many contradictions in practical work." Was this opinion right? We should say that it was not completely wrong, nor was it completely right.

It was not completely wrong because such problems did exist in practical work. When stress was placed on the initiative of managers, sometimes the role of managers was exaggerated. For example, it was said that "one person could rescue a factory." In other cases, the role of other people was belittled so as to give prominence to the role of managers. For example, it was said that "with the number of political cadres reduced by half, production was doubled." When such deviations were corrected, things tended to go to the other extreme, and this made some people feel that the policies were changeable and inconsistent. Henceforth, attention should be paid to preventing and overcoming this phenomenon.

The above-quoted opinion was not completely right, because the work arrangements for a certain period should be approached from the overall situation and general tasks. The first step in enterprise reforms in China was to expand the enterprises' decision-making powers. In view of the previous situation in which no one had the power to take responsibilities and no one was in a responsible position, it was natural for emphasis to be

placed on the issue of delegating adequate powers to enterprise managers and arousing their work initiative. However, this did not mean negating the significance of the initiative of other people in the enterprises. With certain powers delegated to enterprise managers, they would be able to do effectively work to arouse the initiative of all workers. Factory directors are representatives of the enterprises. If they have little power, how can they arouse the initiative of other enterprise and arouse the initiative of all quarters in the enterprises? In a period, the ideological and political work and the party's work in the enterprises were somewhat weakened. This not only affected the mobilization of worker's work enthusiasm; it also threatened enterprise stability and created many difficulties for factory directors. Therefore, when we stress the role of party committees and party secretaries and stress the importance of ideological and political work, our purpose is still to arouse the general initiative of all quarters in the enterprises. Under the old management system, egalitarian practices in income distribution just appeased lazy people and dampened the enthusiasm of all workers. To overcome this problem, in the course of reform we adopted the post responsibility system, pursued the system of distribution according to labor, and took steps to optimize the labor structure. This did not mean negating the workers' master status in the enterprises. On the contrary, it was aimed at protecting and arousing the enthusiasm and initiative of the broad masses of workers, who constituted the main body and were masters of the enterprises. Therefore, adopting the factory director responsibility system, strengthening the role of party organizations in the enterprises and strengthening ideological and political work, and ensuring the workers' master status in the enterprises are not contradictory; all three are indispensable for mobilizing the initiative of all quarters in the enterprises.

It seems that it is necessary to study and know how to apply the methodology of materialist dialectics. It is completely correct to stress a certain point in light of the different conditions in different periods. "Without stress, there would be no policy." When a specific point is emphasized, however, this does not mean that other points can be neglected or should be negated. We should overcome one-sided viewpoints and oppose metaphysical methods of thinking.

A modern enterprise is a complicated and integrated system and an organic entity. No component part of this entity can exist independently of the whole. All parts are mutually complementary and interdependent, and they promote each other. The strengthening and improvement of any part must serve the purpose of strengthening and improving the whole, and effectiveness should be assessed according to whether a measure strengthens and improves the whole. We must strengthen ideological and political work. An important task in ideological and political work is to help everyone establish an all-encompassing viewpoint, bear in mind the overall interests of the whole, and approach things from a dialectical

viewpoint. Since reform and opening up began, great changes have been made in the enterprise management system. However, the concrete systems in various enterprises can only be reformed step by step; the rules and regulations in various fields can only be established and coordinated step by step; and the new operational mechanisms can only take shape step by step. Under these circumstances, it is especially important for all quarters in an enterprise to understand and support each other. Here, we must particularly stress coordination. Practice shows that successful enterprises generally coordinate internal relations well and keep down the costs of internal consumption. Some enterprises have even put forward the slogan of building the enterprise into a "community sharing the same destiny." This reflects the actual relations between various quarters of the same enterprise and the unity of material and spiritual civilization that an enterprise is going to build. This slogan's vitality lies in its vivid expression of the importance of initiative in every quarters of an enterprises.

While deepening reform, we should continue to arouse the initiative of all quarters in the enterprises. Society will then become more stable, various economic difficulties will be overcome, and the economy will develop more healthily.

Commentator on Grass Roots Trade Union Work

*HK0107054890 Beijing GONGREN RIBAO in Chinese
19 Jun 90 p 1*

[Commentator's article: "Building Trade Unions Is a Long-Term Strategic Task—First Commentary on the Work of Trade Unions at the Grass-Roots Levels"]

[Text] The All-China Federation of Trade Unions recently held a national conference of trade union work at the grass-roots levels which proposed implementing the "CPC Central Committee Circular on Strengthening and Improving Party Leadership Over Trade Union, Youth League, and Women's Work" under the guidance of the spirit of the Sixth Plenary Session of the 13th CPC Central Committee. It also proposed that strengthening grass-roots trade union work be regarded a long-term strategic task. This is the essential guiding ideology for trade union work in the future.

Since the Fourth and Fifth Plenary Sessions of the 13th CPC Central Committee, the Central Committee has made a series of essential arrangements for upholding the party's basic line and strengthening party leadership over work in all fields. There is a basic spirit that permeates these essential arrangements, namely, embody in concentration the Sixth Plenary Session of the 13th CPC Central Committee, and strengthen the party's ties with the masses. The masses are the source of the party's strength and foundation of victory. Whether we can maintain at all times and develop the flesh-and-blood ties with the masses is a matter related directly to the rise or fall of the party and state. The working class is the backbone of the masses, the leading

class of the state, the representative of advanced forces and relations of production, the basic motive force of construction and reform, and a powerful and centralized social force for maintaining social stability and unity. Hence, to carry out the essential arrangements of the central authorities which include the CPC Central Committee "Circular" since the Fourth Plenary Session of the 13th CPC Central Committee, it is necessary to foster the idea of wholeheartedly relying on the working class and the masses of people and attach great importance to the work of trade unions, the youth league, and women. This is precisely the basic spirit of the CPC Central Committee "Circular."

The Federation of Trade Unions in China is a mass organization of the working class established on the basis of voluntary participation. Embracing almost the entire working class, it has a distinctive class nature as well as an extensive mass basis, and has thus maintained ties between the vanguard and the broad masses of the working class. We say that the mass line of trusting the masses and relying on them, and from the masses to the masses, is the party's fundamental work line. Striking root among the masses, and from the masses to the masses, is the work line and organizational line of the trade unions. Only when the trade unions have taken root among the masses can the party have strength, can the trade unions have coagulating force, and can the party unite the masses, organize them, and have combat effectiveness.

The trade unions are actually organized masses of the working class. Such an organization directly embodies the grassroots levels. The broad ranks of workers work, study, and live at the grassroots levels. The starting point as well as end results of all trade union work should be based on the grassroots levels. Emphasizing the grassroots levels, catering to the masses, and strengthening and invigorating the grassroots levels constitute a question of orientation and a fundamental issue in trade union construction rather than a specific task, an ordinary work style, or work method. The trade unions at all levels must pay close attention to this strategic task.

The criteria for judging whether trade unions at the grassroots levels are invigorated are: Under leadership of the basic level party organizations, they should follow the party's basic line, independently and creatively carry out work focused on the central task of grassroots level units, and in light of voluntary participation of the workers and in accordance with laws and regulations, dare to safeguard the legitimate rights of workers, be good at attracting, uniting, and educating workers, give full play to their role as masters in achieving development targets, realize the mass line and democratization of trade union organizations, and win the trust of the masses of workers. Leading trade union organs at all levels should focus their work on the grassroots levels so that the basic level trade unions can attain the aforementioned targets. This is required for implementing the decision of the Sixth Plenary Session of the CPC Central Committee and the spirit of the Central Committee

"Circular" and carrying out the guiding ideology of wholeheartedly relying on the working class at the grassroots levels. Trade unions at all levels will definitely be able to attain marked results as long as they persistently focus their work on the grassroots levels for many years to come.

Ruan Chongwu Speaks at Anticorruption Conference

*HK0207054090 Beijing RENMIN RIBAO in Chinese
27 Jun 90 p 3*

[Report by Xu Yunping (1776 6663 1627) and Zhang Mingwang (1728 2494 2489): "Minister of Labor Ruan Chongwu Addresses National Forum of Labor Departments on Anticorruption"]

[Text] Beijing, 26 Jun (RENMIN RIBAO)—Today, Minister of Labor Ruan Chongwu stressed at the national forum of the labor departments on anticorruption that the labor departments should be built into incorruptible and highly efficient government institutions that perform their official functions honestly and diligently for the well-being of the people.

More than 100 advanced deputies from the labor departments of certain provinces and municipalities attended the meeting. The deputies reviewed and exchanged their experiences in preventing and fighting corruption in the work of the labor departments in the past few years. They studied ways to strengthen the ties between labor departments and the masses under the new situation of economic improvement and rectification and in-depth reform so that the labor departments can serve the people wholeheartedly and achieve better results in anticorruption.

In his speech, Ruan Chongwu said: In the past few years, a comparatively good situation was created in the area of anticorruption in the labor departments, and many advanced collectives and individuals emerged. They set a good example in not abusing their powers, not using their powers to seek private gains, performing their official functions honestly, and showing the dedicated spirit of public servants.

He said: Since reform and opening up began, labor departments at all levels delegated powers to the enterprises in the areas of labor management, wage adjustment and promotion, and labor mobility, according to the instructions of the party central leadership and the State Council on expanding the decision-making powers of the enterprises, thus increasing the enterprises' vigor. At the same time, the labor departments at various levels established a set of feasible rules and procedures for strengthening internal control. This rather successfully solved the problem of having the office staff in the labor departments proceed according to administrative procedures and rules. The handling of administrative affairs was made public. In particular, the principles, rules, procedures, and results of handling affairs that the masses are concerned about, such as worker recruitment, student enrollment, job transfers, wage adjustments, and

promotions, were all made public in order to accept mass supervision, ensure incorruptibility, and maintain close ties between the party and the masses.

Finally, he hoped that comrades at all levels in the labor sector will correctly avoid irregularities related to their children and relatives, properly perform their official functions, and resist the temptation of money, thus acting decently as the people's public servants. He also hoped that all party members in the labor departments will play an exemplary and vanguard role in fighting corruption and will maintain an honest, highly efficient, diligent, and realistic image among the masses.

Number of Private Businesses Increases in May

*OW2906181890 Beijing XINHUA in English
1345 GMT 29 Jun 90*

[Text] Beijing, June 29 (XINHUA)—The number of private businesses in China began to increase in May after falling continuously since last year.

According to the State Administration for Industry and Commerce, the number of private businesses and their employees increased by 1.02 percent and 1.03 percent, respectively, while their registered capital, output value and total turnover increased by 1.95 percent, 1.81 percent and 1.9 percent, respectively, in May compared with April.

Private businesses in construction continued to decline due to controls on capital investment, but other industries where private businesses are active, particularly transportation, have begun to pick up.

Bright Future Seen for Securities Markets

HK0207075290 Beijing CHINA DAILY (BUSINESS WEEKLY SUPPLEMENT) in English 2 Jul 90 p 1

[Text] The roller-coaster development of securities markets in China is forging ahead as obstacles finally fall away in the race to make money.

After vacillating for some time, the government earlier this year gave the green light to the economists' dream of building security exchanges on existing over-the-counter markets in Shanghai and Shenzhen, and opening an automated quotations system for national trading in Beijing.

Backed by Shanghai Mayor Zhu Rongji, legislation and training of brokers for the Shanghai Stock Exchange are being speeded up in the city which covets huge citizens' savings and foreign capital for its costly Pudong development project.

While the Shanghai Stock Exchange will be largely involved in Treasury bond transactions in the near future, Shenzhen, a trail-blazer in the Chinese reform drive, is bent on opening a real stock exchange in the city's World Trade Centre this year.

The southern city now has 83 newly-formed shareholding firms and five companies have been listed for stock trading.

Some financial experts even predict that Shenzhen's stock exchange may emerge earlier than Shanghai's.

The Securities Trading Automated Quotations System (Staqs), which connects securities trading in several major cities, is expected to start operations in mid-October.

The country's leading trust and investment firms, which launched the Staqs, hope the system will help to encourage a more efficient, regulated securities market in China.

Influenced by the government's new confidence, investors in Shanghai and Shenzhen have become increasingly bullish about local stock and bond trading.

The Jing'an Index for the stocks of six listed companies in Shanghai hit a new high of 110.94 at market close on Monday. The index started to rise sharply two weeks ago after hovering around 108.00 on June 6-7.

The rise of every one point in the Jing'an Index means about one yuan more on the value of each share.

The manager of Jing'an Securities said this was mainly due to the news that the central bank would soon announce the second round of interest rate cuts this year.

The index plunged to below 90 and did not start to recover until about five weeks ago.

The rally is expected to continue for at least the next few weeks as Treasury bonds issued in 1985 approach maturity on July 1, releasing at least 600 million to 800 million yuan in Shanghai alone.

In Shenzhen, stocks worth 60 million yuan changed hands in the first four months of this year. The volume was double the total national stock trading last year.

It is expected that bonds and stocks worth 6-7 billion yuan will be traded this year in China. If this is the case, the transaction volume would triple that of last year.

In the first four months of this year, 1.8 billion yuan worth of securities changed hands, including 1.5 billion yuan worth of State Treasury bonds and 72.9 million yuan worth of stocks, according to the People's Bank of China.

Chinese held about 150 billion yuan worth of bonds at the end of last year. The amount accounted for about one quarter of their total personal savings.

Wang Poming, vice-president of the Beijing-based Stock Exchange Executive Council (SEEC), said the government was now convinced of the importance of securities markets.

"We believe that the development of securities markets is not only a financial remedy, but also a way to stabilize the nation's economy from a long-term viewpoint," said Wang, one of several masterminds for Staqs, China's first centrally-regulated securities trading system.

Li Yining, a well-known economist, recently advocated the securities markets as "an effective measure" to solve the country's present financial predicament.

Li said the securities markets would promote the transfer, merger and realignment of industrial firms according to economic interests. Stronger and more efficient firms would in turn contribute more to government revenues.

He said bond and stock trading would also "divert" some of the formidable purchasing power from cash-rich Chinese away from buying consumer durables.

Li said that while deals would be mainly in State Treasury bonds for the time being, shareholding experiments should also expand and issues of shares should be increased.

Shanghai now has more than 50,000 shareholders. Nearly 200 million yuan worth of shares have been issued in Shenzhen, but most of the sales there are not registered.

SEEC vice-president Wang said that problems were inevitable at this stage.

"Now too much money is chasing too few stocks," explained Wang, who earned his degree in finance from the Columbia University in the United States.

He said, "There must be liquidity in the markets."

He described the loose and disconnected transactions in different cities as a "bottleneck" in the development of China's securities markets.

Stories of profiteering have abounded because prices of the same security are different in different cities. State Treasury bonds are traded in 61 cities.

Wang said he believed that government laws and regulations dealing with securities markets would come out soon.

Sources said that the government was constantly being urged to draw up the country's first corporation law, essential to the proposed shareholding system.

Surging Exports Boost Slumping TV Industry

HK2906124890 Beijing CHINA DAILY in English
29 Jun 90 p 2

[By staff reporter Ren Kan]

[Text] As the world's most prolific manufacturer of television sets, China enjoyed an upsurge in TV exports during the first five months of this year.

The country has exported 1.89 million televisions since the beginning of the year, an increase of 57.6 percent over the same period last year, according to the latest figures from the Chinese General Administration of Customs.

Of the 1.89 million sets, sales of colour televisions climbed to 738,000 sets, 130,00 more than the same period last year.

Overseas sales of black and white televisions soared 86.6 percent to 1.1 million sets during the first five months of this year.

China mainly sold its colour televisions to North America and Europe. Chinese-made black and white televisions are usually destined for Africa, the Middle East and Latin America.

The jump in TV exports was good news for the country's television industry which suffered a 7 percent drop in output during the first five months of this year.

Although black and white TV production enjoyed a 2 percent increase, it could not make up for the sharp decline in colour TV production during that period.

The total output of colour TV sets during that period only reached 3.25 million units, a drop of 28.4 percent from the same period last year, said an official with the Ministry of Machinery and Electronics Industry.

The State plans to cut colour television production by 30 percent this year, an adjustment which takes account of falling domestic sales and rising stockpiles. The annual production capacity of colour televisions in China has reached 15 million sets.

Colour TVs have played a very important role in the machinery and electronics industries.

The production value was 15.3 billion yuan (\$3.3 billion) last year, accounting for 24.4 percent of the production value of the electronics industry.

Sales of colour televisions have been slow since last April, with manufacturers building up a large stockpile of more than two million sets by the end of last year.

The market has not yet extricated itself from the slump during the first five months of this year, the official said.

Although the government cut the price of Chinese-made colour TVs by 300 to 400 yuan (\$42.6-\$63.8) in March, it had little effect on the slumped market.

During the first five months of this year, the output of black and white TVs rose to 7.3 million units from 7.1 million during the same period last year.

The official attributed the increase to the fact that many colour TV manufacturers had switched to black and white TV production under the high pressure of the sluggish market.

Market Picks Up, Foreign Trade Decline Slows

HK0207074890 Beijing CHINA DAILY (BUSINESS WEEKLY SUPPLEMENT) in English 2 Jul 90 p 3

[Compiled by Qu Yingpu]

[Text] The domestic market recovered significantly in May as China's retail sale started to pick up.

Although the retail sales value was still 0.5 percent lower than in May 1989, the 67.35 billion yuan worth of sales represented an upturn from April.

Meanwhile, inventory was up 11.9 percent compared with April's increase of 14.3 percent.

The foreign trade decline also slowed down in May. The 2.1 percent drop was slight compared with April's 6.6 percent decrease.

Of the retail sales figure, those of consumer goods showed a 0.8 percent decrease to account for 57.09 billion yuan, according to the latest figures released by the State Statistical Bureau.

Retail sales to non-institutional buyers amounted to 51.1 billion yuan in May, 0.9 percent down on the May 1989 figure, while sales to institutional buyers amounted to 5.99 billion yuan, down by 0.3 percent.

Sales of agricultural materials generated a 1.6 percent increase for the first time in several months. Sales value hit 10.26 billion yuan.

The bureau's figures also show that total purchasing by commercial departments in May was 61.54 billion yuan, up 1.9 percent. Their sales value went down by 3.4 percent to 68.3 billion yuan. Inventory by the end of May topped 32.86 billion yuan, up 11.9 percent.

According to a report released by the bureau, China's foreign trade, which totalled \$9.54 billion, experienced a slight decline of 2.1 percent compared with that of the same month last year.

Of the trade value, China's exports accounted for \$4.96 billion, up 12 percent, while imports accounted for \$4.58 billion, down 13.8 percent.

Among China's biggest trading partners, exports to Hong Kong and Macao in May topped \$2.27 billion, up 15.8 percent; to Japan, they went down by 8.5 percent to \$540 million; to the European Community they went up by 11.9 percent to \$470 million; to the United States they went up by 23.7 percent to \$470 million; to the Soviet Union they went down by 16.7 percent to \$150 million; and to Canada they went up 33.3 percent to \$40 million.

The value of goods imported from Hong Kong and Macao rose 5.8 percent to \$1.27 billion; from Japan, \$620 million, down 35.4 percent; from the European Community, \$580 million, down 33.3 percent; from the United States, \$600 million, down 3.4 percent; from the

Soviet Union, \$160 million, down 5.9 percent; and from Canada, \$180 million, up 125 percent.

Pigs exported in May numbered 238,000, a drop of 3.9 percent, while fresh and frozen pork exports hit 11,140 tons, up 69 percent.

Fisheries exports reached 26,292 tons, up 15.1 percent; rice, 26,582 tons, down 27.3 percent; vegetables, 66,532 tons, down 4 percent; canned food, 110,000 tons, up 111.5 percent; peanuts, 36,761 tons, down 2.4 percent; silk, 487 tons, down 34.8 percent; tea, 13,000 tons, up 8.3 percent; rabbit hair, 328 tons, down 45.2 percent; medicine, 7,960 tons, up 21.4 percent; coal, 1.203 million tons, up 2.8 percent; petroleum, 1.619 million tons, down 28.1 percent; cotton cloth, 220 million metres, up 4.8 percent; and clothes, \$443.31 million, up 26.9 percent.

Among imports, wheat made up 1.58 million tons, down 24.9 percent; sugar, 240,000 tons, down 4.2 percent; timber, 479,000 cubic metres, down 24.7 percent; iron ore, 1.787 million tons, up 73 percent; chemical fertilizer, 1.525 million tons, up 56.7 percent; farming chemicals, 3,001 tons, down 18 percent; rolled steel, 287,000 tons, down 60.3 percent; copper and copper alloys, 2,295 tons, down 13.7 percent; paper and cardboard, 65,765 tons, up 6.1 percent; wool, 2,717 tons, down 69.1 percent; TV tubes, 720,000, down 46.3 percent; TV sets, 71,000, down 16.5 percent; automobiles and chassis, 4,243, down 25.9 percent; and ships, worth \$30.24 million, up 16.8 percent.

Volume of Bank Loans Continues To Increase

OW2906090790 Beijing XINHUA in English
0705 GMT 29 Jun 90

[Text] Beijing, June 29 (XINHUA)—China has softened the money supply in order to maintain a sustained growth of the economy and bank loans had climbed to 1,279.1 billion yuan by the end of May, 38.2 billion yuan more than earlier this year, according to banking sources here today.

Bank loans increased by 9.4 billion yuan in May on the basis of April's increase of 28.8 billion yuan.

A banking official said that there were big increases in banknotes in economically developed regions such as Shanghai, Beijing, Jilin, Liaoning, Guangdong and Heilongjiang.

In the past few months, various local governments and banks have made efforts to solve debt problems between enterprises.

Large Oilfields Overfulfill Production Plans

OW0107144690 Beijing XINHUA in English
1355 GMT 1 Jul 90

[Text] Beijing, July 1 (XINHUA)—China's largest oilfield, Daqing, had produced 27.617 million tons of crude

oil by June 30, 144,000 tons more than the planned target for the first half of this year.

Apart from oil production, the oilfield in northeast China's Heilongjiang Province also fulfilled tasks of natural gas transportation, light hydrocarbon production, well drilling and construction of ground facilities.

The Shengli Oilfield in Shandong Province, the second largest of the country, had produced 16.62 million tons of crude oil also by June 30, 16,000 tons more than the planned target for the first half of this year.

It also made progress in prospecting oil and natural gas and found new oil reserves of more than 40 million tons.

New Minister's Views on Agricultural Development

OW0107143890 Beijing XINHUA Domestic Service
in Chinese 1209 GMT 28 Jun 90

[By reporter He Ping]

[Text] Beijing, 28 Jun (XINHUA)—Since 1949 [passage indistinct] in accordance with Premier Li Peng's nomination, the National People's Congress Standing Committee decided to appoint Liu Zhongyi, 59, to the post of minister of agriculture, succeeding He Kang, 67.

General Secretary Jiang Zemin stated at the recent forum on rural affairs that feeding 1.1 billion people is a matter of paramount importance. What will this new minister in charge of agriculture do to handle this issue of paramount importance? With this question in mind, this reporter interviewed Liu Zhongyi. [date and place of interview not mentioned]

"I think this issue mainly involves two aspects," the energetic new agriculture minister said with a Hubei accent. He said: "I will make an effort to develop agricultural production through promoting the use of science and technology, and this is a responsibility of the Ministry of Agriculture. Agricultural development depends on three things: First, proper policies; second, science and technology; and third, investment. Since science and technology will play an increasingly important role in agricultural development in the next decade, I will plan all aspects of agricultural production and promote agricultural development steadily by emphasizing the application of science and technology. Although China has limited arable land and reclaimable land resources and that a large percentage of its arable land is medium-yield and low-yield acreage, it still has great potential to be tapped. It is more realistic and practical to increase agricultural output through developing the untapped resources. Much can be done to increase unit output, improve product quality, and increase the input-output ratio."

He said: "Besides being the responsibility of a specialized sector, agriculture has a close bearing on the situation as a whole and the work of many other departments. Thus, aside from working hard themselves, agricultural

departments require the support of various other quarters before agricultural production can develop in a sustained and steady manner on a long-term basis.

Liu Zhongyi figuratively likened agricultural production to "placing two ends outside." He said: One end refers to coordination from departments in charge of the production of chemical fertilizer, insecticides, plastic sheeting, irrigation facilities, and other materials essential for agricultural production; and the other refers to support from departments in charge of supply and marketing, storage, processing, and transportation of agricultural products. These "two ends" actually reflect the relationship between the industrial sector and the agricultural sector, and between cities and rural areas. When the relationship between these sectors is rationalized and properly coordinated, and when all social and economic quarters willingly serve and support economic development in rural areas and coordinate their work with it, then there will be a favorable environment for agricultural development. And when agriculture has developed, it will in turn facilitate production in other sectors, and social and economic development as a whole will have a strong foothold and have a bright future.

Liu Zhongyi graduated from the College of Finance and Economics of Zhongyuan University in 1952. Since 1953 he served in the Agriculture, Forestry, and Water Conservancy Bureau under the State Planning Commission. He became vice minister of the State Planning Commission in 1985. The books and the large quantity of articles and research reports he has written include "A Study on China's Agricultural Economic Issues," "On Fixing Production Quotas to Individual Households,"

"A Study of China's Agricultural Structure," "The Seventh Five-Year Rural Economic Development Plan," and others. He has put forward many important proposals regarding output-based agricultural contracts, rural reform, the expansion of capacity for agricultural production, the restructuring of the economic system in rural areas, and other major issues.

Toward the end of the interview, this reporter asked Liu Zhongyi to comment on the ongoing reform of the economic system in rural areas. After thinking for a while, he said: In terms of policy and guidance, stability is most essential for the current agricultural operation and administration. The contract system, which is the core of stability within which families are economic units, should remain unchanged. This is a complex and sensitive issue involving things which the peasants care about most. However, when our commodity economy has developed, when the productive forces have reached a higher level, and when science and technology have been extensively applied, the current system should also be improved, step by step. Actual local situations must be considered in the course of improvement, however. Different situations must be handled differently, and improvements should be carried out in an orderly way and under proper guidance. While making efforts to promote the development of productive forces in society, measures should be taken to settle any incompatibility between production relations and the development of productive forces. Efforts must be made to guard against any arbitrary attempt to achieve uniformity and rush headlong into mass actions. When we can do so, China's agricultural development will be able to proceed in a sustained and steady manner for a long time to come.

East Region

Anhui Federation of Industry Ends Meeting

OW2906134590 Hefei Anhui Provincial Service
in Mandarin 1000 GMT 21 Jun 90

[From the "Provincial Hookup" program]

[Text] The sixth congress of the Anhui Provincial Federation of Industry and Commerce closed victoriously at the Daojianglou Guesthouse in Hefei yesterday morning, after five days in session.

During the session, all the delegates seriously studied and discussed the important speech by General Secretary Jiang Zemin at the recent national conference on united front work, read the related documents on the fourth session of the sixth standing committee of the National Federation of Industry and Commerce, examined and deliberated on the work report of the fifth executive committee of the provincial federation of industry and commerce, and elected a new leading body, thereby accomplishing the expected goal of the meeting.

They unanimously agreed that this conference had been well convened; that it was a meeting where experiences were summarized, where democracy and unity prevailed, and where the young replaced the old and carried forward the revolutionary cause and forged ahead into the future; and that it was a meeting marked by a plain and realistic style, as well as a meeting for mobilizing all to expand their horizons.

Comrade Pan Ezhang was again elected chairman. The current vice chairmen are (Zhang Fengqing), (Zhang Lizhi), (Zhao Shoukang), (Yang Zhenbin), (Liu Qifang), and (Liu Jiyan). The following are arranged according to the number of strokes in their surnames: (Ma Jiangyuan), (Zheng Huimin), (Huang Huipeng), (Huang Shanchun), (Jiu Xie), and (Xian Zhongguang). (Yang Zhenbin) is also secretary general.

Among the 144 newly elected executive committee members are veteran comrades who have been in the leadership in the federation of industry and commerce for a long period of time, as well as young people who are fresh on the scene. The committee membership also included legal persons of industrial and commercial enterprises, including state-owned enterprises, collective-owned enterprises, village and town enterprises, private enterprises, the three types of wholly or partly foreign-owned enterprises, and individually-run businesses. They fully reflected the new changes in the organizational structure of the federation of industry and commerce in a new era. They have laid a good foundation for the federation of industry and commerce to fully play its role as (?chamber of commerce) at home and abroad in the future.

At the closing session, all the delegates unanimously adopted a political resolution of the sixth congress, a resolution on the work report of the fifth executive committee, and a decision to send letters of appreciation

to the veteran comrades who had made contributions over the years in their work for the federation of industry and commerce.

The conference urged organizations of the federation of industry and commerce at various levels throughout the province and all the members to follow the CPC's leadership; continue to hold high the banner of patriotism and socialism; size up the situation; boost their confidence; work with one mind and one heart; work hard; and strive for further political, economic and social stability and development in the province, and for the sacred grand cause of peaceful reunification of the motherland.

Zhao Shoukang, vice chairman of the federation of industry and commerce, presided over the closing session. Pan Ezhang, chairman of the provincial federation of industry and commerce, made a closing speech.

Anhui Governor Cited on Screening Companies

OW2906134890 Hefei Anhui Provincial Service
in Mandarin 1000 GMT 21 Jun 90

[From the "Provincial Hookup" program]

[Text] On 18 and 19 June, the provincial leading group for screening companies held a discussion conference on screening companies throughout the province in Hefei. According to the requirements of the party Central Committee, the State Council, the provincial party committee, and the provincial government, the conference summed up the experience and reviewed the recent work of screening companies. The conference also arranged for the work ahead.

Since the beginning of the campaign to screen companies, the various localities and departments in our province have made arduous and meticulous efforts and achieved fairly good results in investigating illegal activities of companies. The entire province has screened and handled (21,959) cases involving companies that violated law or discipline, including 195 major or serious cases. A group of criminals have been punished. An economic loss of 31.746 million yuan was redeemed. These were positive contributions to implementing the policy of improving the economic environment, straightening out the economic order and deepening the reforms, cracking down on corruption, and promoting the efforts to build a clean government.

Fu Xishou, deputy secretary of the provincial party committee and the provincial governor, who is also the director of the provincial leading group for screening companies, attended the conference and made an important speech. He summarized the recent work of screening companies with the following remarks: Progress has been made [words indistinct] He asked leading comrades of various localities and departments to further recognize the importance and necessity of screening companies.

overcome the difficulties of [words indistinct] and strengthen the leadership over this work. [passage indistinct]

Report on Jiangxi Delegation Visiting Fujian

HK0107071690 Nanchang Jiangxi Provincial Service in Mandarin 1000 GMT 26 Jun 90

[Excerpt] On 8-22 June, a 28-member delegation from Jiangxi provincial people's government led by (Chan Andong), assistant to the provincial governor, visited Fuzhou, Putian, Quanzhou, Xiamen and Zhangzhou in accordance with a study and inspection program. It learned from Fujian experiences in persisting in reform and opening up, developing export-oriented economy, and making use of foreign and Taiwan capital.

During the inspection tour, Fujian provincial Governor Wang Zhaoguo, and provincial Deputy Party Secretary Jia Qinglin met with all members of the delegation respectively. Vice Provincial Governors You Dexin and Chen Mingyi, and responsible persons of the relevant commissions, departments, offices and bureaus in Fujian briefed the delegation on Fujian's situation of economic construction, making use of foreign and Taiwan capital, and so on since the implementation of the policy of reform and opening up. Talks were also held between members of the delegation and responsible comrades of the relevant departments of Fujian on further developing economic and technological cooperation between the two provinces. In accordance with the spirit of each supplying the other needs, mutual benefits, and common development of various forms, the two sides reached an agreement on further developing economic cooperation. Fujian Vice Provincial Governor Chen Mingyi, and (Chen Andong), assistant to Jiangxi provincial governor, signed the agreement on behalf of their own respective provincial governments. [passage omitted]

Fujian Meeting To Mark Party Anniversary

HK0207004890 Fuzhou Fujian Provincial Service in Mandarin 1000 GMT 28 Jun 90

[Text] The party working committee of the organs directly under the provincial authorities today held a meeting to mark the 1 July Party Anniversary and to commend advanced party branches, advanced leading party members' groups, outstanding party members, and outstanding party activities coordinators. Leading comrades of the provincial party committee Chen Guangyi, Wang Zhaoguo, Jia Qinglin, Yuan Qitong, and Zhang Kehui attended the meeting, together with the representatives of advanced party branches, advanced leading party members' groups, outstanding party members, and outstanding party activities coordinators from the organs directly under the provincial authorities, the responsible people of all departments and bureaus directly under the provincial authorities, and secretaries and deputy secretaries of the party committees of these organs, altogether more than 1,000 people.

Commended during the meeting were the party branch of the cadre training center under the general office of the provincial party committee and 106 other advanced party branches; the leading party members' group of the rural economic committee under the standing committee of the provincial People's Congress and 106 other advanced leading party members' groups; (Xu Qingxi), (Gao Yiqing), and 167 other outstanding CPC members; and (Shi Ziyin), and 100 other outstanding party activities coordinators. These advanced party organizations and outstanding individuals took a firm and clear-cut stand, stood fast at their posts, and did a great deal of work to safeguard stability during the struggle to check turmoil and to quell the rebellion. Upholding the lofty ideal of communism and keeping a firm faith in socialism, they have carried forward the spirit of wholeheartedly serving the people in the process of reform and opening up. They have kept up the party's fine tradition, showing a high sense of discipline and sticking to the party spirit. They have worked hard and conscientiously, practiced honesty in performing their official duties, and thus doing credit to the party. Their deeds show that our organs directly under the provincial authorities have been making progress every year in the work of party building.

On behalf of the provincial party committee and the provincial government, Jia Qinglin, deputy secretary of the provincial party committee and secretary of the party working committee of the organs directly under the provincial authorities, extended warm congratulations to the commended party organizations and individuals. He said: To do a good job in the work of party building, we must attach great importance to it and adopt a series of supporting measures. Indeed we must place party building on the important orders of the day and make unremitting efforts in this regard. We must really give first priority to the party's task regarding ideological education and bring into full play our favorable conditions in terms of political organizations. We must strengthen grass-roots party organizations in real earnest and give full play to their role as fighting forces, backup forces, and supervisory organs. It is necessary to uphold and carry forward the party's fine tradition and style, and further step up the development of clean and honest government in party and government organs. Every cadre, and every leading party-member cadre in particular, must take the lead and set an example for others in observing the system of clean and honest government. It is necessary to build party and government organs into ones which work hard in a down-to-earth manner, practice honesty in performing official duties, maintain a high efficiency, and deserve the trust of all the people of Fujian province.

To conclude his speech, Jia Qinglin urged all organs to draw strength from the examples of advanced party organization and outstanding individuals; launch a vigorous campaign of emulating the advanced organizations and outstanding individuals, centering around the

theme of strengthening party building; and thus do credit to the party and set an example to the people throughout the province.

Chen Guangyi Addresses Premiere of Lei Feng Film

HK0207004390 Fuzhou Fujian Provincial Service
in Mandarin 1000 GMT 26 Jun 90

[Excerpts] At a premiere of the film "Lei Feng's Spirit in Fujian—Film for Educating Communist Party Members" held yesterday afternoon, Provincial Party Secretary Chen Guangyi urged each and every party member in the province to learn from Lei Feng-type heroes to fully foster their communist values, and make selfless contribution to add splendor to the party banner. Jia Qinglin, Yuan Qitong, He Shaochuan, (Wang Jianshuang), (Zhao Xiemin), Wen Fushan, Zhang Yumin, (Min Qing) and responsible persons of the relevant departments were also present at the premiere.

In accordance with the demand put forward by the provincial CPC Committee, the showing of the film is regarded as an activity of celebrating the 69th anniversary of the establishment of the party. The film was produced by the relevant units under the guidance of the Organization Department and Propaganda Department under the provincial CPC Committee. [passage omitted]

At the premiere, Provincial Party Secretary Chen Guangyi said: We must thank all those heroes and heroines. They have scored brilliant achievements at their ordinary posts. They have set a good example for the entire party members and people throughout the province. I hope that various units will propagate the deeds of Lei Feng-type heroes in our province and deepen the activities of promoting socialist spiritual civilization by the Army and civilians, so that the spirit of Lei Feng can be continuously carried forward on the vast land of Fujian. This will enable our party to enhance its image and strengthen its combat effectiveness and rallying power. [passage omitted]

Jiang Chunyun at Film Marking CPC Founding

SK0207034690 Jinan Shandong Provincial Service
in Mandarin 2200 GMT 30 Jun 90

[Text] On the evening of 30 June, the Shandong Provincial CPC Committee held a film reception at the Nanjiao Hotel Club to commemorate the 69th anniversary of the founding of the CPC.

Jiang Chunyun, secretary of the provincial party committee; Ma Zhongchen, deputy secretary of the provincial party committee; Liang Buting, chairman of the provincial advisory commission; Li Zhen, chairman of the provincial People's Congress Standing Committee; Li Zichao, chairman of the provincial Committee of the Chinese People's Political Consultative Conference [CPPCC]; Tan Qilong, member of the Central Advisory Commission; and Li Farong, member of the Central Discipline Inspection Commission, staying in Jinan, and

leading comrades of the provincial party committee, the provincial advisory commission, the provincial People's Congress Standing Committee, the provincial government, the provincial CPPCC Committee, and the provincial Higher People's Court, including Miao Fenglin, He Guoqiang, Ma Zhongcai, Liu Zhongqian, Sun Shuzhi, Li Yu, Lu Hong, Xiao Han, Xu Jianchun, Yan Qingqing, Li Te, Song Fatang, Xu Wenyuan, Zheng Weimin, Yang Da, Su Yingheng, Yu Peigao, and Zhu Qimin, provincial retired veteran comrades at and above the deputy chief level, including Zhao Lin, Gao Keting, Wang Jinshan, Wang Zhongyin, Xu Leijian, Gao Fengwu, Zhang Zhusheng, Zhou Xingfu, Tian Haishan, Bai Yanbo, Wang Llang, Sai Feng, (Zhou Hanxing), Feng Lejin, Li Guangde, and Chen Fengjiu, responsible comrades of various provincial-level departments, committees, offices, and bureaus, representatives of outstanding Communist Party members of provincial-level organs, totaling more than 600 persons, attended the film reception.

That evening, the banquet hall and auditorium of the Nanjiao Hotel Club were permeated with a festive atmosphere. The participants gathered happily under the same roof and talked freely to review the 69 years of glorious course traversed by our party. They deeply felt that the CPC is a great, glorious, and correct party. Without the Communist Party, there would not have been a new China, and the reform and opening up of today. They all expressed that they would be firm in communist beliefs, and would uphold the four cardinal principles, oppose bourgeois liberalization, persist in reform and opening up, win new victory in the four modernizations, and win glory for the party.

Ma Zhongcai, member of the Standing Committee, and secretary general, of the provincial party committee, presided over the film reception. Prior to the reception, provincial leading comrades met with the representatives of outstanding Communist Party members of the provincial-level organs.

Central-South Region

Two Activists Reported Freed in Guangzhou

HK2906104690 Hong Kong AFP in English 1032 GMT
29 Jun 90

[Text] Beijing, June 29 (AFP)—Two activists in last year's democracy movement have been freed in the southern Chinese city of Guangzhou, according to a local press report seen Friday.

The two, Chen Zewei and Wang Liangping were treated leniently after repenting for their actions, Tuesday's edition of SOUTHERN DAILY said.

The daily, received here Friday, said Mr. Chen had helped an unidentified "criminal Zhen" to escape overseas in July last year, while Mr. Wang was accused of instigating "troubles."

Wang Du, a dissident painter detained on charges of "counter-revolutionary propaganda" for speeches he made in Guangzhou during last year's democracy protests, was released in the southern city on June 18.

The paper did not say if the two were released on the same day as the painter. Authorities in Guangzhou declined comment on the case when contacted by telephone Friday.

Mr. Wang Du's release was announced the same day China's leading dissident, Fang Lizhi, and his wife Li Shuxian were allowed to leave the country after taking refuge in the U.S. Embassy here for over a year.

The daily said the painter was allowed to rejoin his wife, a French journalist, in France.

China has announced the release of 670 democracy activists since January and said last week that no more than 355 are still in detention, a figure considered too low by international human rights groups and the U.S. State Department.

Criminals Executed in Guangzhou 27 Jun

HK2906114390 Hong Kong WEN WEI PO in Chinese 28 June 90 p 2

["Dispatch" by Chou Wen-chiang (0719 2429 1730): "Guangzhou Executed a Number of Criminals and Sentenced More Than 130 to Imprisonment"]

[Text] Guangzhou, 27 Jun—The Guangzhou City People's Court this morning executed by shooting a number of criminals whose death sentences had been examined and approved. The criminals were robbers who posed great danger to social security, murderers who violated citizens' life security, notorious thieves who the masses hated, and those engaged in illegal sales and purchase of guns and ammunition. Meanwhile, the public security organs and people's court of Sanxian in Qiqu district of the city announced, separately, the verdicts and sentences on 136 criminals.

Of the criminals who were executed, 19 were robbers. Guo Rui and Li Bingwei and another criminal illegally purchased from Pingxiang, Guangxi guns and ammunition and, after two months of planning, together robbed Huaye Jewelry and Watch Company on Renminnanlu of gold and jewelry worth about 100,000 yuan, and shot dead a worker and a security man of the company.

The sentences on the 136 criminals—robbers, notorious thieves and rapists—included death sentence, death sentence with reprieve, life imprisonment, and set term imprisonment.

Guangdong Province Living Standards Improve

HK2906132090 Hong Kong ZHONGGUO TONGXUN SHE in English 1151 GMT 29 Jun 90

["Great Improvement in Living Standards in Guangdong Province"—ZHONGGUO TONGXUN SHE headline]

[Text] Guangzhou, June 29 (HKCNA)—According to figures released by the Guangdong Statistical Bureau following recent sample research, both the urban and rural population has a per capita income of RMB 161.28, and the per capita cost of living in 1989 was RMB 160.9, measuring increases of 3.2 times and 3 times those of 1980 respectively and average annual rises of 13.8 and 12.8 percent.

The population of Guangdong Province have gained evident improvements in their daily lives in the matters of clothing, food, living quarters and ownership of domestic appliances.

There has been a sharp drop in the purchase of cloth by Guangdong people, with that bought per head decreasing from 2.04 metres in 1981 to 0.47 metres last year. Garments bought per head showed a 70 percent increase. The quality of the garments bought also improved to medium to high fashion and styles have undergone rapid changes.

Food quality has also changed, with the total expenditure on foodstuffs progressively increasing. Last year, the per capita spending on food was RMB 1,085.17, 2.4 times that of 1980 which in money terms was RMB 318.12. The quality of foodstuffs has improved. Among 15 major foodstuffs, eight of them, rich in nutrients, such as poultry meat and fresh eggs, had great rises in sales volume, there was a drop in seven general foodstuffs such as staples and sugar.

People are now experiencing better comfort in their daily lives as there has been a decrease in the number of people not owning their own home or living in crowded conditions. The living space per person has increased from 5.47 sq metres in 1981 to last year's 11.71 sq metres. In addition, living standards have improved as the amount spent on buying homes and decoration was RMB 84.83 per head last year, 85 times the amount of ten years previously.

There has been an upsurge in the number of electric home appliances in use today. Last year, for every 100 households among Guangdong's urban population, there was an average of 77.9 washing machines, 45.8 refrigerators and 67.7 colour television sets, 18.5, 67.4 and 37 times greater respectively than in 1981. It is now very common to find superior quality electrical appliances in ordinary households, including such things as electric rice cookers, microwave ovens, electric stoves, electric massage equipment and electric carpets [as received].

Shenzhen To Implement Share Transfer Tax

OW3006211590 Beijing XINHUA in English
1401 GMT 30 Jun 90

[Text] Shenzhen, June 30 (XINHUA)—The government of the Shenzhen City today announced provisional regulations governing the taxation of share transfers by shareholders and dividends paid to private shareholders.

Under the new regulations, from July 1, all individuals and units which draw up documents while entering into share transfer agreement in Shenzhen should pay a 0.6 percent stamp tax.

The regulations stipulate that, when shares are sold, the seller shall pay the stamp tax and that, when shares are inherited or received as gifts, the units and individuals receiving the shares shall pay the tax.

According to a spokesman for the city, the city expects the new stamp tax to generate annual revenues in excess of 10 million yuan.

Under the regulations, private shareholders of enterprises shall pay a 10 percent tax as individual income regulation tax on the part of the dividends which exceeds the one-year savings deposit interest rate of the banks.

The Shenzhen stock market, with daily transactions averaging five million yuan, is the largest on China's mainland. According to the spokesman, the regulations are intended to ensure the healthy development of the Shenzhen stock exchange.

Guangxi Prefecture Cracks Down on Crime

HK2906122190 Beijing RENMIN GONGAN BAO
in Chinese 12 Jun 90 p 2

[Report by Chen Wei (7115 0251), Fu Hanhui (0265 3352 6540), and Chen Liangjing (7115 0081 4842): "Guangxi's Qinzhou Prefecture Attains Gratifying Results in the Drive To Sternly Crack Down on Criminal Activities"]

[Text] Guangxi's Qinzhou Prefecture attained gratifying results in the mammoth, swift drive to sternly crack down on serious criminal activities from mid-March to mid-May. Over the two months, the prefecture arrested a total of 2,870 offenders, smashed 552 gangs, cracked 1,430 criminal cases, seized large amounts of stolen money and goods worth 400,000 yuan, punctured the arrogance of offenders, and stabilized social security of the border region. Compared with two months ago and the same period last year, the rate of criminal cases in the region in March and April dropped by 26.2 and 51.2 percent, respectively.

Located at the southern border of the motherland, Guangxi's Qinzhou Prefecture is adjacent to the Beibu Gulf in the east and Vietnam in the south. It is one of the coastal areas open to the outside world. Criminal activities have run wild in the prefecture in recent years. The

frequent offenses of drug trafficking, crimes committed with firearms, and selling and smuggling of Vietnamese women have seriously menaced security and stability of the border region.

The Qinzhou prefectural party committee and government paid close attention to the drive to crack down on serious criminal activities. The prefecture set up a headquarters with the prefectural party secretary, commissioner, and people's congress liaison director as head and deputy heads. All counties, cities, and townships under the jurisdiction of the prefecture also set up headquarters with the party and government chiefs leading the battle. The judicial organs went all out and gave full play to their role of the main force. All social circles responded enthusiastically and took active part in the drive. According to statistics, a total of 17,565 party and government cadres, police, public security activists, militia, People's Liberation Army men, and personages from other circles took part in the drive. The prefecture sent 1,090 various kinds of vehicles and allocated special funds of 100,000 yuan to ensure the smooth progress of the drive.

In the coordinated action of sternly cracking down on criminal activities, all cities and counties of the prefecture proceeded from their actual reality and adhered to the principle of tackling key problems. Border smuggling, drug trafficking, robbery of arms, and selling of Vietnamese women have been rather serious in Fangcheng County, which is separated from Vietnam by a river. In view of this serious problem, the county cracked two major drug trafficking cases, arrested three drug traffickers, and seized 5.5 kilograms of opium; cracked two arms robbery cases and seized four firearms and 240 bullets; repatriated more than 60 Vietnamese women illegally smuggled into China; and cracked two cases involving foreigners. In view of the serious crime of bicycle theft, Qinzhou city waged special struggles, cracked 95 cases, arrested 75 thieves, smashed nine gangs involving 33 people, and seized 2,377 bicycles.

Henan Provincial CPC Congress To Be Held

HK0207025190 Zhengzhou Henan Provincial Service
in Mandarin 2200 GMT 28 Jun 90

[Excerpt] The Fifth Henan Provincial CPC Congress is scheduled to be held in late October and early November, this being an important event in Henan's party building work.

This was disclosed by Hou Zongbin, secretary of the Henan Provincial CPC Committee, at a symposium held in Zhengzhou yesterday to commemorate "1 July Party's Birthday."

Comrade Hou Zongbin said that the Henan Provincial CPC Committee called on all the CPC members and the broad masses of the people in Henan to conscientiously implement to the letter all the CPC policies, work harder, and take action to welcome the forthcoming

convocation of the Fifth Henan Provincial CPC Congress with a view to further pushing ahead with the development of all types of undertakings.

Yesterday's symposium was attended by some members of the Henan Provincial CPC Advisory Committee and some retired veteran comrades.

Hou Zongbin, secretary of the Henan Provincial CPC Committee; Zhao Di, deputy; Liu Guangxiang, member of the Standing Committee of the Henan Provincial CPC Committee and concurrently director of the Organization Department of the Henan Provincial CPC Committee; and Han Jingcao, vice chairman of the Henan Provincial CPC Advisory Committee, delivered speeches at yesterday's symposium.

In their speeches, all the provincial leaders reviewed both the history and the glorious revolutionary traditions of the CPC over the past 69 years, and put forward a number of specific views on how to strengthen and improve the CPC leadership.

In his speech, Comrade Hou Zongbin pointed out that the CPC leadership is the guarantee for the smooth development of all types of undertakings in Henan. Therefore, all the comrades in must make redoubled efforts to strengthen and improve the CPC leadership, adhere to "One Center, Two Basic Points," comprehensively and correctly implement to the letter all the CPC policies and principles, promote the CPC building at all levels, withstand tests, play a vanguard and exemplary role, serve the people heart and soul, adhere to the principle of seeking truth from facts, maintain close links with the broad masses of the people, and do more practical things for the broad masses of the people with a view to winning support and trust from the people.

In her speech, Comrade Zhao Di mainly dwelt on the issue of party building. She called on all the comrades concerned in Henan to make continued efforts to strengthen the ideological building of the CPC organizations at all levels and carry out a systematic and in-depth education on Marxism, Leninism, and Mao Zedong Thought among the CPC rank and file. [passage omitted]

Families of Criminals Educated To Report Crimes

*HK2906142390 Beijing RENMIN GONGAN BAO
in Chinese 15 Jun 90 p 2*

[Report by Ji Yaozong (0679 5069 1350): "Yanshi County Runs Study Sessions for Family Members of Criminals at Large in the Drive To Sternly Crack Down on Criminal Activities"]

[Text] In the drive to sternly crack down on serious criminal activities, Yanshi County, Henan Province, organized family members of escaped convicts who were under arrest, sentenced to reformation through labor, or had committed crimes to attend study sessions at which they were exposed to the "Public Notice" and relevant laws and were persuaded to understand what is right and

assist the government in seizing the criminals at large. This effort has brought about remarkable achievements.

At the end of May, the county authorities mustered over 300 people from public security, political and judicial departments, and party and government organizations at township and town levels. They were sent to 17 townships and towns, summoned the family members of 162 criminals at large throughout the county, and ran 28 study sessions for propaganda and education in various townships, which were attended by 315 people who were either family members or relatives of those escaped criminals. They explained to these people the "Public Notice on Sternly Cracking Down on Serious Criminal Activities" issued by the provincial government, propagating relevant laws and policies, made clear what is right and what is wrong, and encouraged them to understand the situation, throw away what had deterred them from speaking out, and actively assist the public security and political and judicial organs in persuading the escaped convicts to turn themselves in for lenient treatment. Through the propaganda and education and under the influence of the policy, within a short space of three days, 59 people either brought their sons or husbands in, or started looking for the criminals they were related to in other places, or supplied the public security with clues to the criminals' whereabouts. Han Kaifeng, a villager in Hanqi Village, Nanchaicun Township, rushed to Yima City the very night after he attended a study session, brought back his younger brother, a rapist at large, and sent him to the local police substation. At another study session, a village cadre in Dakou Township said with emotion: "I used to cover up the wrongs that my children had done and assume that I could protect them this way. It is this study session that has helped me realize what a fool I was. What I did had nothing to do with love because it could only ruin them!" Before the sessions wound up, he brought to the police substation his two sons who had committed larceny and confessed their theft. After attending the study sessions, the family members of 32 criminals at large covered hundreds and even a thousand li to find the latter. An old couple in Dianzhuang Township disclosed a "secret" they had long concealed and supplied the public security with the address of their only son who had committed assault and run to another place. With that address, the public security seized the convict in no time.

Southwest Region

Sichuan Does Well in Fighting Corruption

*HK0207023990 Chengdu Sichuan Provincial Service
in Mandarin 0915 GMT 27 Jun 90*

[Excerpts] This reporter learned this morning from the first news briefing ever given by the anticorruption work bureau of the provincial procuratorate that procuratorial organs of this province had scored marked results this year in the struggle against corruption and bribery. These results are mainly reflected in the following facts: 1) the number of cases that are accepted and heard, the number

of cases that are put on record, and the number of cases that are closed have been raised remarkably; and 2) breakthroughs have been made in a number of major and important cases.

From January to May this year, procuratorial organs in Sichuan Province carried out the operation against graft and bribery in depth. A total of 5,635 cases of graft, bribery, and other economic crimes were accepted and heard, an increase of 78 percent over the same period of last year; a total of 2,281 cases were put on record for investigation, an increase of 80 percent over the same period of last year; a total of 2,318 cases of graft, bribery, and other economic crimes were wound up, a total of 2,970 people involved in these cases were arrested, and direct economic losses totaling 33.41 million yuan were thus saved, an increase of [word indistinct] percent over the same period of last year. [passage omitted]

During today's press conference, reporters were also briefed on the progress made by the procuratorial organs of the cities of Chongqing and Chengdu and the counties of Yaan, Yanting, Xiushan, and Xuyong in investigating and handling cases of graft and bribery. Information about a number of typical cases was released.

Commentary Stresses Fighting Corruption

HK0207024190 Chengdu Sichuan Provincial Service
in Mandarin 0915 GMT 27 Jun 90

[Station short commentary: "Develop Clean and Honest Government and Fight Corruption To Safeguard the People's Interests"]

[Text] The procuratorial organs in our province have been engaging in the operation against graft and bribery since last year. A number of major and important cases of public concern have been investigated and handled, economic losses have thus been retrieved, and marked results have been scored.

The vast majority of the staff members of our party and government organs are honest. But it is true that a small number of people, as members of a ruling party, have failed to stand the test in the reform and opening up. They have been involved in graft, bribery, and other criminal activities. The vast majority of party and government cadres who work hard to serve the people must not be blamed for these phenomena. However, the deeds of a small number of corrupt elements have gravely discredited the party and the government, and undermined the flesh-and-blood ties between the party and the masses. It is dangerous indeed if we do not see the perniciousness of these corrupt phenomena.

The struggle against graft and bribery and the punishment of corrupt elements by law are a principle to be steadfastly upheld by our party. This principle is of important significance to promoting clean and honest government, stepping up the operation to improve the economic environment and rectify the economic order, deepening the reform, and boosting the productive

forces. For this reason, our procuratorial organs at all levels in this province must unrelentingly and efficiently carry out the struggle against graft and bribery in depth. We must prevent and reduce criminal cases by fighting criminal activities, rooting out corruptive practices, carrying out the economic improvement and rectification operation, plugging loopholes, and promoting legal administrative procedures. In the meantime, we must promote a fine spirit among all party members and civil servants and inspire them to develop clean and honest government and fight corruption to safeguard the people's interests, by propagandizing the legal system, cultivating a sense of discipline and law, and launching a struggle against corrosion and degeneration.

Sichuan Reaps Good Harvest of Grain, Rapeseed

HK2906055090 Beijing RENMIN RIBAO in Chinese
24 Jun 90 p 1

[Report by Luo Maocheng (5012 5399 1004): "Sichuan Province Reaps Bumper Harvests of Grain and Rapeseed"]

[Text] Chengdu, 23 Jun (RENMIN RIBAO)—Sichuan Province, which has reaped bumper harvests of late-autumn grains and rapeseed this year, is making positive efforts to raise funds for the purchase and storage of grain and oil so that the work can be done faster and better.

By 15 June, a total of 1.113 million kg of grains had been put in storage, which was 500 million kg more than the same period of last year, and 79.42 percent of the grain purchase task had been fulfilled. A total of 760 million kg of rapeseed had been put in storage, 328 million kg more than the same period of last year and fulfilling 92.17 percent of the purchase task.

Since last year, as agricultural input has increased in this province, the enthusiasm of the peasants in grain and oil crops production has been mobilized. As a result, the province has reaped bumper harvests of late-autumn grains and rapeseed. It is estimated that the output of late-autumn grains will increase by more than 500 million kg and that of rapeseed will increase by 100 million kg.

To solve the difficulties in collecting funds for this year's grain and oil purchase and to prevent issuing "IOUs" to the peasants, the provincial grain and financial departments and banks have now raised more than 3 billion yuan for the procurement work. At the same time, the provincial grain bureau has raised more than 80 million yuan for repairing, renting, and building granaries and barns. As the capacity of the granaries and barns has been expanded, 1.5 billion more kg of grain can be put in storage.

To reduce the province's financial burden and promote the purchase and sale at negotiated prices, Sichuan Province has decided to allow local supply and marketing cooperatives, township and town enterprise, and

individuals engaging in long-distance transportation to join the grain purchase and sale at negotiated prices on the premise that the fulfillment of the state's fixed-quota procurement task is ensured. The proportion of low-priced grains for breweries, food processing, and non-staple food production will be reduced while that of grains to be sold at negotiated prices will be appropriately increased. To prevent the phenomenon that the peasants' interests are harmed due to the low price of grain, the grain department has adopted a protective price system for the procurement of some grains to be sold at negotiated prices so that the peasants can get what they deserve.

New Tibetan Army Leaders Attend Forum

*HK2906154690 Lhasa Tibet Regional Service
in Mandarin 1330 GMT 29 Jun 90*

[Text] On the eve of 1 July, the Tibet Military District held a forum of veteran party members in Tibet to mark the 69th anniversary of the founding of the CPC. At the forum, dozens of veteran comrades and party members who had made outstanding contributions to liberating Tibet and building the border enthusiastically expressed their feelings on their work and life in building Tibet. They urged the broad ranks of army officers and men to inherit and carry forward the old Tibet spirit, work hard, build Tibet, consolidate national defense, and contribute to the party's cause.

Zhang Taiheng, commander of the Chengdu Military Region, was present at the forum. Recently appointed responsible members of the new leading body of the Tibet Military District were also present on the occasion. They included Commander Jiang Hongquan, Political Commissar (Geng Quanli), Deputy Commanders Liu Yongkang and (Xu Minggao), Deputy Political Commissars (Jiang Pingguang) and (Deng Liyang), and (Qiu Jian), director of the Political Department.

The comrades attending the forum held the unanimous view that the old Tibet spirit is the combination of the fine tradition of our party and army and concrete practice of the troops in Tibet. Influenced by this spirit, the troops garrisoned in Tibet, under the correct leadership of the CPC Central Committee and Central Military Commission, have advanced wave upon wave, fought bravely, and made unprecedentedly great contributions with courage and amazing willpower.

During the early 1950's, the troops of the 18th Army, with rucksacks on their backs, entered Tibet, overcoming unimaginable difficulties. Because of the influence of the erroneous tendency of bourgeois liberalization, they said, the old Tibet spirit was ignored and weakened for some time. When new leaders of the Tibet Military District assumed office, they issued a call to all units: Inherit and carry forward the old Tibet spirit, be determined to build Tibet for a long time to come, regard the border as their home, work hard, and dedicate

themselves to the party's cause. All officers and men of the military district enthusiastically responded to the call.

Zhang Taiheng, commander of the Chengdu Military Region, delivered a speech at the forum. He said: At the time when we are commemorating the anniversary of the party, speaking glowingly of the old Tibet spirit will be of special significance to implementing the Sixth Plenary Session of the 13th CPC Central Committee, further carrying forward the fine tradition of our party and army, and promoting the building of troops garrisoned in Tibet.

He said: The old Tibet spirit is intimately related to the interests of the party and the motherland, as if the two lived and died together, and is being with the Tibetan people in the manner of lips relying on teeth. The spirit shares weal and woe with the people in the arduous efforts at laying the foundation and in taking the overall situation into consideration. The spirit is characterized by an eagerness to blaze new trails, patience, dedication and combat readiness, arduous struggle, and selfless devotion.

Comrade Zhang Taiheng said: At present our country faces outside pressure and internal difficulties. Under this situation, giving play to the old Tibet spirit is a way of strengthening the political construction among the troops, ensuring the troops' high standards and respecting the troops' ideals, and can serve as a source to encourage the will for attaining achievements and a way to urge the revolutionary spirit to face trials at times of difficulty. It represents an adherence to our troops' principles, and strengthens the intimate relationships between party and masses, army and government, and army and people.

He hoped the whole district of officers and soldiers will resolutely continue to give play to the old Tibet spirit, persevere in sticking together in mind and spirit and maintaining a high degree of solidarity, paying attention to attaining achievements and handling well their work, and making great efforts to score first-rate achievements at their own posts.

At the seminar, leading Chengdu Military Region comrades presented souvenirs to old soldiers of border garrisons and old fighters and old party members.

North Region

Li Wenshan Sets Demands on Religious Work

*SK2906000590 Shijiazhuang HEBEI RIBAO
in Chinese 2 Jun 90 p 1*

[Text] On the morning of 31 May, the class for advanced studies attended by religious work cadres throughout the province held its winding-up ceremony at the provincial socialism academy. Attending the class were directors of united front work departments and directors of religious

affairs bureaus (sections and units) in various prefectures, cities, and the key religious work counties, more than 100 people in all.

Wang Shusen, vice chairman of the provincial Committee of the Chinese People's Political Consultative Conference and director of the United Front Work Department of the provincial party committee, presided over the winding-up ceremony. Li Wenshan, deputy secretary of the provincial party committee, made a speech at the ceremony.

In his speech, Li Wenshan set the following demands on religious work: 1. Party and government leading cadres at all levels should restudy and implement the pertinent instructions of the central authorities, constantly enhance the consciousness of Marxist theories and policies regarding religion, further define the Marxist sense of religion, and use the Marxist sense of religion to guide our work. We should emphatically encourage cadres at the grass-roots level, in particular the cadres of those townships, towns, and villages which shoulder the heavy task of religion, to study the pertinent documents of the central authorities; and should strive to enhance the sense of religious policies among the vast number of cadres at the grass-roots level. This is of extremely great significance to the correct implementation of the party's policy on freedom of religion.

2. Religious work should facilitate social stability. We should comprehensively and correctly implement the religious policies of the party and the state, and confine religious activities within the scope permitted by the Constitution and the law. We should strengthen the administration over religious affairs. This is a regular and important task for the religious work in the future. We should deal blows to the activity of taking advantage of religion to commit law violations and criminal offences.

3. We should strengthen the party's leadership over religious work. We should list religious work as an item on the daily agenda of party committees and governments, conscientiously examine the implementation of the religious policies, study and analyze the situation of religious work periodically, and then set forth effective measures for doing religious work well. We should strengthen religious work organs, and transfer more cadres to strengthen the work of religious organs at the grass roots. We should persistently conduct the propaganda and education on the scientific world outlook of dialectical materialism and historical materialism, including atheism. We should, under the leadership of the party and the government, constantly amplify patriotic religious organizations, and give full play to the role of patriotic religious organizations.

Independence Movement Reported in Inner Mongolia

HK0207100990 Hong Kong CHENG MING in Chinese No. 153, 1 Jul p 20

[Article by Mo Ming (5459 3046): "Independence Movement Erupts in Inner Mongolia"]

[Text] Under the influence of the movement for independence and democracy in several republics in the Soviet Union and in the People's Republic of Mongolia, purely civilian political organizations have been set up in Inner Mongolia, usually referred to as the Land of Peach Blossoms. An organization called the "Inner Mongolia National Autonomous Committee" and another called the "Asia-Mongolian Front for Freedom" have jointly initiated the drive to win independence for the Inner Mongolian nationality, demanding that Inner Mongolia be merged with the People's Republic of Mongolia and a Mongolian republic be set up. They distributed leaflets in secret and called at private houses to lobby for independence. The leaflet says: Inner Mongolia and Outer Mongolia used to be the same nation and enjoy an independent system, special social customs, tradition, and religious belief. It calls the Soviet Union the New Tsars, accusing it of splitting Mongolia and robbing it of its property and resources. It also accuses the Chinese government of tacitly approving and supporting the Soviet Union in its act of splitting the Mongolian nation, in an effort to curry favor with it.

According to the public security department in Inner Mongolia, in the period from December last year until the end of April this year, there had been about 20 rallies and demonstrations demanding democracy and independence. In early February this year, 80,000 herdsmen, students, and workers took to the streets and demonstrated, chanting "Independence, Freedom, Democracy, and Equality" and other slogans. Some people even held high the portrait of Wu Lanfu [late PRC vice president]. From 26 to 28 May, more than 40,000 people held a demonstration in Hohhot. Some people addressed the rally in the Central Square, encouraging people to strive for independence. While the contingents of marchers were heading for the building housing the autonomous regional government, the armed police there fired warning shots, resulting in a clash between the police and masses, throwing the scene into confusion. According to an internal government report: More than 200 people were injured, including policemen, marchers, and on-lookers, and seven people were killed (reportedly trampled to death by other people). The border was closed, telecommunications cut, and martial law imposed in some areas during the incident. At the same time, Beijing immediately sent a special envoy to Ulaanbaatar to hold consultations with the Mongolian government over the safety on the border, and dispatched a cavalry division to Hohhot from Shijiazhuang, pending orders.

Foreign Trade Grows Quickly in Inner Mongolia

HK2906103190 Beijing CEI Database in English
0908 GMT 29 Jun 90

[Text] Hohhot (CEI)—Inner Mongolia in north China has established ties of trade and economic cooperation with 60 countries and regions, and exports more than 300 kinds of commodities abroad, of which the export volume of 40 kinds exceeds 1 million U.S. dollars each.

Statistics show that, by the end of last May, the export volume of Inner Mongolia's country-to-country trade totalled 106.24 million dollars, accounting for 47.8 percent of this year's quota.

Meanwhile, total trade volume of its barter trade reached 33.18 million dollars, and 285 contracts to import foreign capital and technology were signed with a contracted volume totalling 364.53 million dollars.

According to sources here, Inner Mongolia's barter trade with the Soviet Union and Mongolia has been conducted by 16 companies and expanded labor service cooperation, contracting engineering projects and processing with supplied materials, samples and parts.

In 1989, Inner Mongolia registered a trade volume of 119.08 million dollars with the Soviet Union, the sources said.

Over the past 10 years, statistics show, Inner Mongolia imported more than 200 million dollars worth of timber, rolled steel, cement, chemical fertilizer and automobiles. Of the total, more than 100 million dollars were spent on chemical fertilizer, cement and timber, which came in through barter trade on the border.

Shanxi Gets Results in Crackdown on Criminals

HK2906143790 Taiyuan SHANXI RIBAO in Chinese
12 June 90 p 1

[Report by Pang Biao (7894 1753): "Our Province Has Achieved Initial Results in the Struggle of 'Dealing Severe Blows' to Criminal Activities"]

[Text] This reporter learned from a morning news conference held jointly on 11 June by the provincial public security, procuratorate, court and judicial organs, that the political and legal departments of our province have, since mid-May, launched into a vigorous and speedy battle aimed at dealing severe blows. Based on a preliminary background investigation, they carried out an intensive operation in which a felonious crime gang was dealt a blow, and a number of notorious criminals and a highway bandit gang were arrested, thus bringing the entire struggle toward a climax.

On 19 May the provincial party committee and government called a meeting to plan thoroughly for a struggle aimed at dealing severe blows. The meeting was attended by prefectural and city party committee secretaries, commissioners, mayors, concerned leaders in charge of

political and legal work, comrades having major responsibility in local public security, procuratorate, legal, and judicial organs. Specific arrangements were made at the meeting by provincial party committee secretary Li Ligong, Governor Wang Senhao, Provincial Party Committee Deputy Secretary Wang Maolin, and chiefs of the provincial public security, procuratorate, legal, and judicial organs. Following the meeting, serious planning and mobilization within organs began in prefectures, cities, and counties. On this basis a province-wide concentrated attack was launched and there were significant fruits from this struggle. First, a batch of notorious criminals who had committed many crimes were arrested; 84 percent of the total arrests were key attack targets such as murderers, robbers, rapists, vagabonds responsible for harassment, railway and highway bandits, notorious thieves, and persons who damaged production facilities. On incomplete statistics public sentencing rallies have been held in counties, districts, and cities such as Yangquan, Jincheng, Linfen, Yuncheng, and Taiyuan at which a number of criminals committing heinous crimes were executed; and over 500,000 people have participated in these sentencing rallies. All these have efficiently deterred crime and encouraged the masses. So far over 60 criminals across the province have surrendered themselves to public security organs and the masses have also reported clues and leads on a great number of crimes.

During the operations, procuratorate, court, and judicial organs and departments responsible for reformation through labor at all levels were actively involved in the struggle, dealing blows to crimes in a severe and speedy manner. They also actively interrogated arrested criminals to uncover crimes hidden from the authorities, and pressed ahead with prosecution work. Niu Yiqing, Zhang Aibing, Li Daibing, and others, who were thieves, robbers and members of a rapist gang in Changzhi County, had since 1988 banded together and repeatedly sabotaged electric facilities in the suburbs of Changzhi City, destroying five transformers in use and stealing the copper cores within the transformers. On the early morning of 4 April last year, this bunch of criminals gang raped a woman and robbed the victim of her cash, wrist watch and silver bracelets. The investigation of the case was completed and an arrest warrant issued in three days after it had been referred to Changzhi County procuratorate. Courts at various levels were beefed up in manpower to enable them to be involved early in trials of serious cases. Initial results were witnessed as the trials and sentences, including a number of death sentences, on a large number of various criminal cases were sped through. And this has created a momentum for the "severe crackdown" drive. Villagers of Sanjiaoxiang in Huozhou City, Zhang Guangxi and his brother Zhang Mingxi, stormed into Xinzhi Sales Section of an agricultural bank on 26 February, a sheep-killing sabre and self-made powder gun in hand, in an attempt to rob the bank. Duty staff Cheng Peng and Jiang Aihong were killed and wounded when they put up a struggle, but they foiled the robbery attempt. The provincial court passed

and upheld a death sentence on Zhang Guangxi, his political rights deprived; and gave Zhang Mingxi life imprisonment, his political rights deprived for the rest of his life.

The struggle has rapidly surged to a climax in our province, and half-heartedness in crackdown drives at various work links were overcome and prevented thanks to the speedy enforcement, careful planning, and effective guidance of party committees and governments at all levels; the serious preparations, ingenious organization, accurate investigation, severe crackdown, swift arrests, heavy sentences by political and legal departments at all levels; and full cooperation, coordination between high and low levels and that between inside and outside circles.

Tianjin Municipality Police Fight Crime

HK2906132790 Beijing RENMIN GONGAN BAO
in Chinese 12 Jun 90 p 3

[Article by Chen Fuxing (7115 4395 5281): "Sixty Days and Nights—an Account of Cadres and Policemen of the Shengli Police Substation of the Tianjin Municipal Public Security Bureau in the Struggle of 'Double Blow'"]

[Excerpts] Dedication and Exaction

There is this record in the report book of the Shengli Police Substation: In March and April, all cadres and policemen of the substation did not rest on Sundays in the struggle of "double blow"—that is, dealing blows at the crimes of larceny and robbery—and each of them worked an average of 18 hours a day.

In the struggle of "double blow," the cadres and policemen fought continuously day and night and working all night long was routine. On 2 May, they arrested a house-breaking suspect, Ma Lixin and the Shengli Police Substation immediately organized a shock interrogation group of nine persons to conduct interrogation. Full of experience in anti-interrogation, Ma Lixin put up a desperate struggle and after a trial of strength for three days and nights, lost the battle and confessed his crimes. Since last year, in collusion with Jing Guohui, Li Dongqing, and others, he had committed 23 cases of house-breaking. This was only the start of the work of cracking cases and a large amount of work, such as tracing the accomplices and stolen goods and investigating 23 cases one by one, ensued. Before the case of Ma Lixin's theft gang was completed, the clue to another serious theft gang headed by a certain person called Wu was discovered. The overload of work broke the rhythm of the cadres' and policemen's life and four cadres and policemen contracted illnesses, but they did not leave their posts.

The routine work of the Shengli Police Substation was not a light one, either. In the depth of winter last year, the cases of house-breaking continuously occurred in Shengli area. The masses complained strongly and many

of them wrote letters to the public security department, demanding that measures be taken as soon as possible to resolve the situation where "they were not reassured while leaving their homes or going to work." Under the support of the subbureau, the "three-three patrol system" emerged as the times required. This means that cadres and policemen divided into three groups; each group divided into three shifts and patrolled day and night for 24 hours. The "three-three patrol system" made the cadres and policemen lose "eight additional hours." But so far as the public security cadres and policemen were concerned, using the motto "when the people are peaceful, I take it as an honor; when the people are in trouble, I take it as a disgrace," they were greatly pleased that "when I alone work hard, thousands of people are happy." Here, the phenomenon of bargaining could not be seen and the question of "whether there are subsidies or not" could not be heard. [passage omitted]

In the 60 days of the struggle of "double blow," the cadres and policemen of the Shengli Police Substation reflected the attitude of the public security ranks as a whole toward life and death, honor and disgrace, gain and loss, and happiness and suffering. They did not have earthshaking deeds, nor magnificent feats that could conquer mountains and rivers but only worked quietly. It was their dedication that was exchanged for social stability, economic development, and people's peace.

Northeast Region

Circular Issued on Dealing Blows to Criminals

SK2806114990 Changchun Jilin Provincial Service
in Mandarin 0930 GMT 26 Jun 90

[Excerpts] The provincial government issued a circular yesterday calling for concentrated efforts to deal strict blows to serious criminal activities.

The circular states: In order to further safeguard our province's social order and stability, guarantee the smooth progress of in-depth reform, and realistically and effectively safeguard the safety of the state and the lives and property of the people, and in an effort to know the real situation, the provincial government has decided to resolutely deal strict blows to criminals who commit seriously violent acts in line with the law, such as those who have engaged in bombings, stealing guns, and using guns to commit a crime or an offense; serious criminals, such as those who are guilty of murder, robbery, hooliganism, rape, major thefts and cheatings, and habitual thefts; criminals who steal and damage communications, power, railway, oil fields, water conservancy facilities and other production facilities of mining enterprises; those who steal and kill domestic animals; and train and highway robbers and hooligans who are guilty of robbing travellers, pillaging goods during railway and highway transport. It is necessary to make special efforts to strike blows at criminal gangs and fugitive criminals who are guilty of all kinds of evil.

The circular points out: Criminals must immediately stop committing crimes and offenses and must surrender themselves to judicial organs, frankly confess their hidden crimes, expose and inform against criminals involved in their cases and other law-breakers. During the 30 days since the promulgation of this circular, those who take the initiative in turning themselves in to the police, frankly confess their crimes, and behave quite well will be leniently dealt with by the judicial organs in line with the law. Otherwise, they will be strictly dealt with in line with the law. [passage omitted]

The circular called on public security organs and departments concerned to adopt effective measures to strengthen social security management, to clear up and consolidate related trades and places and to entirely capture illegally-owned guns, ammunition, daggers, and secretly-concealed explosives. The circular called on people throughout the province to go into action actively, to resolutely struggle against all sorts of law-breaking and criminal acts, to launch a powerful attack to encircle criminals and to give them no place to hide. Personnel concerned who make special contributions to this struggle should be commended and awarded.

Liaoning Governor Resigns; Transferred to Henan

SK0107023590 Shenyang Liaoning Provincial Service in Mandarin 2200 GMT 30 Jun 90

[Text] The 16th meeting of the Seventh Provincial People's Congress Standing Committee opened on 30 June. During the meeting, the participants approved the appointment of (Ye Qifeng) as the vice governor and acting governor of the province and discussed the economic work report of the provincial People's Government.

Zhang Tiejun, vice chairman of the provincial People's Congress Standing Committee, presided over the meeting's plenum in the morning, at which Tang Hongguang, vice chairman of the provincial People's Congress Standing Committee, delivered a report on relaying the spirit of the 14th meeting of the Seventh National People's Congress Standing Committee.

During the meeting, the participants heard the report given by Vice Governor Chen Suzhi on the province's economic situation and major tasks. Vice Chairman Zhang Tiejun read the resignation letter submitted by Li Changchun. It is said in the letter that in line with the decision made by the CPC Central Committee on transferring him from Liaoning to Henan Province, I would like to ask the provincial People's Congress Standing Committee to approve my resignation of the governor's post. Then, he also read the letter of proposal of the Liaoning Provincial CPC Committee on appointing the acting governor of the provincial People's Government. The participants then held a group discussion on the resignation of Li Changchun and on the provincial party committee's letter of proposal.

On the afternoon of that day, Wang Guangzhong, chairman of the provincial People's Congress Standing Committee, presided over the second plenum of the meeting, at which, the participating members approved the resignation of Li Changchun and the appointment of (Ye Qifeng) as the vice governor and acting governor of the province.

Attending the meeting were vice chairmen of the provincial People's Congress Standing Committee, including Lou Erkang, Feng Yousong, Zhang Zhiyuan, Zuo Kun, Cheng Jinxiang, and Yu Xiling; as well as (Xu Zheng), secretary general of the provincial People's Congress Standing Committee.

Quan Shuren at Opening of Cadres Activity Center

SK0207072990 Shenyang Liaoning Provincial Service in Mandarin 2200 GMT 30 Jun 90

[Text] The activity center for provincial veteran cadres was formally commissioned on 30 June. Just a little past 0900, Guo Feng, member of the Central Advisory Commission, veteran Comrade Huang Oudong, and Quan Shuren, secretary of the provincial party committee, and Wang Wenyuan, vice provincial governor, cut the ribbon to mark the opening of the activity center for provincial veteran cadres amid the beating of drums.

The activity center for provincial veteran cadres is located at (Sanhao) Street in Heping District, Shenyang City. The total build-in area is 8,500 square meters, embracing three buildings, namely, the activity building, the service building, and the office and lounge building. It is well-furnished with service facilities and is the province's largest comprehensive activity center for veteran cadres. Wang Guangzhong, Xu Shaofu, Shang Wen, Liu Yiyun, Chu Chuan, Luo Dingfeng, Xie Fangtian, Liu Wen, Liu Peng, Liu Baotian, and Yu Jingqing attended the ribbon-cutting ceremony.

Meeting Discusses Building Party Branches

SK0207070490 Shenyang Liaoning Provincial Service in Mandarin 2200 GMT 30 June 90

[Text] From 27 to 29 June, the Organization Department and the Veteran Cadres Bureau of the provincial party committee jointly held a meeting in Shenyang to exchange experience in building party branches of retired cadres throughout the province. Shang Wen, member of the Standing Committee of the provincial party committee and director of the Organization Department, attended and addressed the meeting. He called on party committees at all levels to straighten out understanding, to treat, understand, and do a good job in building party branches of retired cadres from a political and strategic viewpoint, and to consciously do this work well. He also called on party committees to realistically strengthen leadership, include the work of building party branches of retired cadres on their agenda, and instruct full-time personnel to take charge of this work. Party committees at all levels should guide and help the party

branches of retired cadres do a good job in organizational and ideological construction. In organizational construction, it is necessary to assume responsibility for grasping the leading bodies of party branches, and assign secretaries to party branches and chiefs to leading party groups. In their work, they should pay attention to fully relying on the party-member retired cadres to successfully carry out the work of party branches. At the same time, it is necessary to sum up experience and to explore a regular pattern for building party branches of retired cadres.

Northwest Region

Gansu Holds Meeting To Mark CPC Anniversary

HK0207003190 Lanzhou Gansu Provincial Service
in Mandarin 2300 GMT 28 Jun 90

[Text] The working committees of the organs directly under the provincial authorities yesterday afternoon at the [name indistinct] auditorium held an unofficial discussion meeting to mark the 1 July CPC Anniversary. Present at the meeting were leading comrades of the provincial party committee and some old comrades, including Li Ziqi, Jia Zhijie, Yan Haiwang, Wu Jian, (Yang Shangjie), and (Li Keru), altogether more than 100 people. In high spirits, they talked glowingly during the gathering.

Comrade Wu Jian said: Our party has now been struggling for 69 years. Although our party did commit some mistakes and face some setbacks while forging ahead, it mended its way on its own. History has fully proved that the CPC deserves to be called the proletariat's political party, the force at the core leading the socialist cause.

During the meeting, many old comrades recalled their life of struggle under the party's leadership and the party's great achievements in socialist construction.

Comrade Li Ziqi, secretary of the provincial party committee, delivered a speech to conclude the meeting. He said: Today, while we are celebrating the party's birthday, it is a pleasant occasion indeed for us to meet with old comrades who have made contributions to China's revolution and construction. Comrade Li Ziqi wished the old comrades present at the meeting good health and a long life.

Also present at the unofficial discussion meeting were (Chen Xu), (Wang Guorui), (Dong Wenming), (Sun Runhua), (Gao Jingchun), Li Zhengting, (He Jianshan), Wang Yaohua, Wang Shijie, (Liang Dajun), (Wang Zhiyun), Liu Lanting, (Zhang Kefu), (Qiao Shengrui), Wu Enhong, and (Yuan Chongde).

Gansu's Li Ziqi Attends

HK0207063790 Lanzhou Gansu Provincial Service
in Mandarin 2300 GMT 29 Jun 90

[Text] The People's Liberation Army [PLA] Lanzhou Military Region and the Gansu Provincial CPC Committee jointly held a party in Lanzhou yesterday evening to celebrate the 69th anniversary of the founding of the CPC.

The evening party was attended by provincial party, government, and military leaders, including Li Ziqi, secretary of the Gansu Provincial CPC Committee; Huang Luobin, member of the CPC Central Advisory Commission; Lu Kejian and Yan Haiwang, deputy secretaries of the Gansu Provincial CPC Committee; Wang Jintang, member of the Standing Committee of the Gansu Provincial CPC Committee and concurrently vice governor of Gansu Province; Yang Junjie, member of the Standing Committee of the Gansu Provincial CPC Committee; Wu Jian, vice chairman of the Gansu Provincial CPC Advisory Committee; (Hong Baoyi) and (Ling Yun), vice chairmen of the Gansu Provincial People's Congress Standing Committee; Fu Quanyou, commander of the PLA Lanzhou Military Region; (Chang Hongqing), political commissar of the PLA Lanzhou Military Region; (Liu Mingsiu), chief of staff of the PLA Lanzhou Military Region; and some other leading comrades of Gansu Province and the PLA Lanzhou Military Region.

The evening party ended amidst the Song "Without the CPC, There Would Be No New China."

Actors and actresses of the Gansu Provincial Song and Dance Troupe and the PLA Lanzhou Military Region's Song and Dance Troupe staged a series of excellent performances at the party.

Huang Huang Addresses Ningxia Plenary Session

HK2906135390 Yinchuan NINGXIA RIBAO
in Chinese 15 Jun 90 p 1

["The Fifth Plenary Session of the Sixth Autonomous Regional CPC Committee Opens"]

[Text] The Fifth Plenary Session of the Sixth Ningxia Autonomous Regional CPC Committee was held in Yinchuan from 12 to 14 June. The session studied the "Decision of the CPC Central Committee on Strengthening Ties Between the Party and the Masses" and examined and approved the regional party committee's opinion on implementing this decision. The session called on party organizations at all levels and Communist Party members to bring about political, economic, and social stability and development in the country, to ensure China's long-term tranquility, to fully understand the importance and urgency of strengthening ties between the party and the masses, and earnestly implement the "Decision."

The opinion of the regional party committee was worked out according to the requirements of the "Decision" and in light of Ningxia's specific conditions. It includes formulating and improving democratic and scientific procedures for making and implementing policies; changing work style, improving work efficiency, and doing something practical for the masses; actively dredging the channel for strengthening ties between the party and the masses; making unswerving efforts to run clean administration; improving rules and regulations; exercising stricter supervision over leading cadres and leading organs; bringing into play the role of grassroots party organizations and party members in forming ties with the masses, organizing them, and carrying out propaganda among them; conducting reeducation in the Marxist mass concept and the party's mass line; and urging leaders to take the lead in strengthening discipline.

The session called on localities, departments, and units to implement the party Central Committee's "Decision" and the regional party committee's opinion and to make marked progress in forming close ties between the party and the masses during these two years. Party committees at all levels should organize party members to seriously study the party Central Committee's "Decision" and the regional party committee's opinion. It is necessary to combine theory with practice, examine implementation of the "Decision" and opinion, and conduct criticism and self-criticism. They should expose bureaucratism, subjectivism, formalism, individualism, and abuse of power for personal gain, as well as the harm such malpractices cause their units. They should seriously deal with violations of discipline. It is necessary to earnestly solve the problems of the masses, to win their trust and support, to rally the forces of the people across the region, to centralize their will, to improve and rectify the economy, to deepen reform, and to develop all undertakings in the region amid stability.

Regional Party Committee Secretary Huang Huang spoke at the session. He said: Leading organs should share weal and woe with the people. Implementation of the party Central Committee's "Decision" and the regional party committee's opinion relies on the efforts of comrades in all fields, first of all on the efforts of leading organs and leading cadres. This is the crux of the issue. The style of leading organs should be improved in the spirit of rectification. Efforts should be made to maintain and develop the relations between the party and the masses and to make the masses understand their own interests and duties. We should unite to work for the highest interests of the party and the people of all nationalities. Huang Huang pointed out that leading organs should focus their improvement on ideology, organization, style, and logistics supply.

At the session Bai Lichen, deputy secretary of the regional party committee and regional chairman, delivered a report on the region's economic situation as well as plans and measures for future economic work. He said: Making economic work a success and developing

the national economy is the material foundation for building close ties with the masses and working wholeheartedly for their interests. It is also an important step in implementing the Sixth Plenary Session instructions. We will definitely be able to overcome all sorts of difficulties, including economic difficulties in the region, and bring about a new situation as long as people at the higher and lower levels unite as one, work hard with one heart and one soul, and make unremitting efforts.

Xinjiang People's Congress Opens Meeting

OW2906152890 Urumqi Xinjiang Television Network in Mandarin 1300 GMT 27 Jun 90

[Announcer-read video report by station reporter Ilihan Osman, from the "Xinjiang News" program]

[Text] [Video opens with a pan shot of a large conference room with about 200 persons] The 15th meeting of the Seventh Xinjiang Autonomous Regional People's Congress Standing Committee opened in Urumqi this morning [27 June].

Chairman Amudun Niyaz presided over the meeting. [Camera focuses on Amudun Niyaz]

The main items on the meeting agenda are: Deliberating the draft interim regulations governing urban public health in the autonomous region, deliberating the draft measures for implementing the Fishery Law in the autonomous region, hearing the autonomous region higher people's court report on trials involving economic cases, hearing the autonomous region people's government report on implementing the Compulsory Education Law and the Regulations on Eradicating Illiteracy, hearing the autonomous region people's government report on implementing the Water Resources Law, and examining and approving the 1989 final accounts and appointments and removals of cadres of the autonomous region. [While the announcer reads the report, video pans the meeting attendees]

In the morning session of the meeting, (Rehefu Abasi), director of the autonomous region Public Health Department, explained, on behalf of the autonomous region people's government, the draft interim regulations governing urban public health in the autonomous region. (Yang Zhelin), director of the autonomous region Aquatic Products Bureau, explained, on behalf of the autonomous region people's government, the draft measures for implementing the Fishery Law in the autonomous region. [Camera shows close shots of the two speakers, reading from scripts]

Vice chairmen attending the morning session were Li Jiayu, Mayenur Hasimu, Chen Xifu, Xiaer Xibieke

Sidike, Zhang Shaopeng, Ma Mingliang, Kuerban Ali, Abudureyimu Litifu, and Xu Peng.

Yusufu Muhanmode, vice chairman of the autonomous region people's government; Han Youwen, vice chairman of the autonomous region committee of the Chinese People's Political Consultative Conference; and officials of the autonomous region higher people's court and people's procuratorate attended the meeting as observers. [Camera pans these officials with medium shots as their names are mentioned by the announcer]

Officials of the democratic parties and some mass organizations in Xinjiang attended the meeting as visitors.

Film on Quelling of Riots To Air 1 Jul

HK0107031290 Urumqi Xinjiang Regional Service
in Mandarin 2210 GMT 30 Jun 90

[Text] A special television film series in four installments under the title The Red Sun Light Shines Upon the Pamirs, produced by the Xinjiang armed police corps, is to be shown by the Xinjiang Television Service beginning 1 July. Based on a host of detailed facts, this special television film series shows the glorious deeds of the officers and fighters of the Xinjiang armed police corps in quelling the counterrevolutionary armed rebellion [fan ge ming wu zhuang bao luan] at (Baren) township, and extols their selfless, dauntless, courageous, and indomitable spirit.

Jiang Zemin Meets Taiwan Industrial Delegation*OW2906145390 Beijing XINHUA in English
1418 GMT 29 Jun 90*

[Text] Beijing, June 29 (XINHUA)—Jiang Zemin, general secretary of the Central Committee of the Communist Party of China (CPC), met today with a delegation of Taiwan industrialists headed by Zhang Shiliang, a member of the Taiwan "Legislative Yuan."

Jiang told the Taiwan industrialists that the Chinese nation is a great nation, and there is no reason to continue the split. It is necessary to unite and invigorate China with concerted efforts, he said.

Ding Guangen, alternate member of the Political Bureau of the Central Committee of the CPC, Cheng Siyuan, vice-chairman of the National Committee of the Chinese People's Political Consultative Conference, Yuan Mu, director of the State Council Research Office, and other officials were also present at the meeting.

CPPCC Officials Meet Taiwan Party Officials*OW2906023990 Beijing XINHUA Domestic Service
in Chinese 1038 GMT 23 Jun 90*

[By reporter Wang Zhi (3769 3589)]

[Text] Beijing, 23 Jun (XINHUA)—Qing Weichang and Cheng Siyuan, vice chairmen of the National Committee of the Chinese People's Political Consultative Conference [CPPCC], met this morning at the CPPCC auditorium with two guests from Taiwan—Xie Hanru, advisor to the Chinese Democratic Socialist Party and president of "MIN QUAN SHI PAO," and Xie Zhengyi, secretary general of the Labor Party. He had a candid exchange of opinions and views with them on the peaceful reunification of the country, among other things.

Qian Weichang and Cheng Siyuan said at the meeting: Jiang Zemin, general secretary of the CPC Central Committee, recently restated that, under the principle of "one China," the Kuomintang [KMT] and the CPC hold dialogue on the reunification of the motherland on an equal footing. Other parties, organizations, and people of all sectors in both the mainland and Taiwan should help push for such a dialogue, as reunification is the inevitable trend confirming the wishes of the people and the historical development of China. Looking back at the history of China, the time when China was united is far longer than when it was disunited.

Regarding the KMT authorities in Taiwan seeking the so-called "existence space" in the international community, Qian Weichang and Cheng Siyuan said: If the KMT authorities insists in playing its "flexible diplomacy" in the international community, the inevitable result will be the creation of "two Chinas" or "one China, one Taiwan." In fact, the only way the KMT can achieve its maximum existence space is to accept the peaceful talks about reunification. Drawing on his personal experience in taking part in the drafting of the Basic Law for the

Hong Kong Special Administrative Region, Qian Weichang pointed out: The concept of "one country, two systems" is also a brilliant idea for solving the Taiwan problem. Cheng Siyuan said: Some compatriots in Taiwan still do not understand the concept of "one country, two systems." There is, therefore, an urgent need for both sides of the Taiwan Straits to expand their exchanges in all fields in order to end their estrangement, increase their mutual understanding, and arrive at a consensus.

Xie Hanru and Xie Zhengyi expressed their views about peaceful reunification of the motherland. They held: It is a solemn and urgent task for the two sides of the Taiwan Straits to hold peaceful and rational dialogue on the reunification of the country. It is up to the ruling parties on the two sides to open the gate of peace for the reunification dialogue. It will be the good fortune of the Chinese people if the peaceful dialogue can bring about an early peaceful reunification of the motherland.

Yang Zhengmin, Wu Ketai, Jing Shuping, Guo Xiuyi, He Fang, and Zhu Zuolin were present at the meeting.

Xie Hanru and Xie Zhengyi arrived in Beijing on 20 June.

Journalist Spokesman Criticizes Taiwan Authorities*OW0207103090 Beijing XINHUA in English
0943 GMT 2 Jul 90*

[Text] Beijing, July 2 (XINHUA)—A spokesman for the All-China Journalists Association criticized Taiwanese authorities on Saturday for the unreasonable restrictions they have placed on visits by journalists from the mainland to Taiwan.

The spokesman said the realization of mutual exchanges between journalists on the two sides of the Taiwan Strait through visits and news reporting will help promote non-governmental exchanges and increase the mutual affection of compatriots on both sides.

Mainland journalists have long expressed their desire to visit Taiwan for news reporting, he noted. However, he stressed, having been unreasonably thwarted by the Taiwan authorities, their just desires have yet to be realized.

The spokesman pointed out that the Taiwan authorities placed some conditions which mainland journalists cannot possibly accept. These include the condition that journalists who are communist party members give up their party membership.

The spokesman pointed out that what the Taiwan authorities have done is unwise, and goes against the will of journalists and all the people on both sides of the Taiwan Strait.

He stressed that journalists who are communist party members and those who are non-communist party members enjoy the same rights in news reporting even in

other parts of the world. He asked why in Taiwan, a part of China, mainland journalists are restricted unreasonably. He noted that even journalists in Taiwan have noted that such a restriction is ridiculous.

The spokesman pointed out that since two-way exchanges between the two sides have become the trend of the times, the restrictions by the Taiwan authorities can only obstruct mainland journalists from going to Taiwan for the time being, not for ever.

The spokesman said he hopes the Taiwan authorities will cancel all the restrictions and allow mainland journalists to travel to Taiwan as soon as possible.

'Goddess of Democracy' Ship Ridiculed

OW2906001090 Beijing in Mandarin to Taiwan
0205 GMT 14 Jun 90

[From the "Rambling Talk on Current Events" program]

[Text] Organizers of the "Goddess of Democracy" radio ship recently made simultaneous announcements in Keelung Port and Taipei, Taiwan, and in Tokyo and Paris, that they had been forced to abandon their broadcasting plans, and that they would sell off the vessel as a freighter. The move was indeed an inglorious end for the authors and organizers of the broadcasting plans. Remember how fierce and arrogant the Front for Democracy in China leaders and a handful of overseas reactionaries had been when they had begun to organize the so-called "Goddess of Democracy" radio ship. They gave undue publicity to their plans in a Paris-based, Chinese-language newspaper, as if the ship would receive support and welcome throughout the world. Wuer Kaixi specifically flew from Boston to Paris to commission the ship.

Who would have known that the ship's entire voyage would be fraught with difficulties? According to foreign wire services, because of its illegal goals, the ship complicated entry procedures during its calls at various countries since leaving La Rochelle, France on 17 March. The ship remained outside the port in Djibouti for several days due to technical and administrative reasons. The crewmembers were gleefully awaiting a welcoming ceremony when the ship arrived at the free port of Singapore on 2 May. However, they were given an extremely cold reception by the Singaporean authorities, who did not permit the vessel to enter the harbor, allowing it to be replenished only by small boats. The crew also was prohibited from leaving the ship. The vessel, which was in need of repairs, was permitted to remain outside the harbor for only 12 hours, and was subsequently compelled to change its plans and sail for Hong Kong. Once the vessel arrived in Hong Kong, it encountered strong opposition from local residents and media. The Hong Kong authorities categorically banned the ship from berthing, saying that its mission did not conform to Hong Kong's policy. They added that, if the ship forced its way into Hong Kong's territorial waters,

they would not rule out the possibility of asking the Coast Guard to intercept it or to take other strong actions.

Afterward, the ship sailed on to Taiwan, where it was allowed to replenish at Keelung Port. However, under the pressure of world media and local residents, the Taiwan authorities broke their promise to furnish the ship with broadcasting equipment, and threatened to ban it from replenishing at the port if it pressed ahead with its broadcasting plans. After arriving in Taiwan, the ship's organizers originally thought they would find favor with the local authorities, and that things would go smoothly afterward. They had not expected the Taiwan authorities, fearing criticism, not to openly support the ship. After receiving such a crushing blow, the vessel was forced to seek help in Japan. However, the Japanese Government unequivocally stated that the ship was unwelcome, and that it would take strong measures regarding port calls and crew landing, if the vessel sailed to Japan. The ship thus found itself at a dead end, isolated, and helpless. Before it could broadcast a single word, the ship found its dream shattered and its mission busted in Keelung Port.

Listeners: Why did the ship incur such a tragic end? Why did it meet with cold receptions and curses everywhere, like a mouse running across the street? Why did the departments and officials concerned in Taiwan, that had helped bring the voyage to fruition, reverse their position? I believe that the ancient Chinese proverb, that just causes gain widespread support, while unjust causes find little support, is applicable here. The actions of the ship organizers were dishonorable ones aimed at subverting the Chinese Government. They also were illegal and unwarranted moves that openly trampled on international law.

(Xue Hongda), a law professor at the University of Maryland in the United States, commented on the matter, saying: According to Article 109 of the 1982 UN Maritime Treaty, all countries should ban unauthorized broadcasts on the high seas. If the "Goddess of Democracy" ship had beamed broadcasts to the Chinese mainland while operating on the high seas, China could have arrested the people and seized the ship that had aired the broadcasts. Professor (Huang Yi), of the Taiwan Maritime Research Institute, said: Apart from the 1982 International Maritime Treaty, the 1959 International Telecommunications Union regulations and the 1965 European decision on preventing radio broadcasts outside the territory of a country also specifically ban illegal broadcasts at sea. (Huang Yi) advised the Taiwan authorities not to get involved in the broadcasting plans of the "Goddess of Democracy" ship, and local civilians to refrain from boarding the ship to participate in the broadcasting, so as to avoid criticism and controversy.

Speaking to China's permanent representative at the UN office in Geneva, Mr. (Tasana), secretary general of the

International Television Union, said: Attempts to cooperate with the "Goddess of Democracy" ship in broadcasting messages against the Chinese Government on the high seas are illegal, and the country of registry of the ship that assists in such broadcasting will be advised to investigate and report the matter. The "Goddess of Democracy" ship naturally incurred opposition from countries that were signatories to the UN Maritime Treaty and the International Telecommunications Union regulations, because it flagrantly trampled on international law and violated the above treaty and regulations.

Listeners: The failure of the ship's mission once again shows that anti-Chinese actions do not enjoy popular support. The ship's organizers overestimated themselves and dreamed of subverting the Chinese Government. However, China is a fairly strong and populous country, and a big power that has considerable influence over world affairs. Which government would willingly support the ship and thus openly violate international law and risk losing its friendship with the Chinese people? Moreover, detente has become a major world development. Although some Western countries imposed certain

sanctions against China following the 4 June incident, they do not want to harm their relations with China under the prevailing international situation of detente. They certainly would not breach international law to lend support to the "Goddess of Democracy" ship.

As for the Taiwan authorities, they dared not risk openly supporting this illegal act of piracy under the strong pressure of international media and local residents. Besides, they could not help but take into account the fact that the two sides of the Taiwan Strait are currently experiencing an upsurge in family reunion visits, sight-seeing tours, trade, and investment. If they had helped openly the "Goddess of Democracy" ship subvert the Chinese Government, they would have gone against the trend of rapport across the Taiwan Strait. Can the Taiwan authorities stand up to accusations of damaging the increasingly warming relations between the two sides of the Taiwan Strait? I believe that this explains the cautious attitude adopted by the Taiwan authorities. That is why Taiwan became the burial ground, instead of a land of hope, for the "Goddess of Democracy" ship. This farce, which was aimed at overthrowing the Chinese Government, hastily came to an end amid catcalls.

Former Premier Li Leaves for New York Seminar

OW0207061290 Taipei CNA in English 1523 GMT
1 Jul 90

[Text] CKS Int'l Airport, Tzoyuan, northern Taiwan, July 1 (CNA)—Li Huan, senior advisor to the President, left for the United States Sunday to attend an academic seminar in New York City.

Li, form premier, has been invited to lecture at the Third Northern American Overseas Chinese Academic Seminar. The theme of the seminar is "Challenges for the Republic of China in the 1990s."

Li will also visit Chinese communities in the United States. He is scheduled to return home on July 10.

Dissident Leader Returns to Taiwan

OW3006175390 Taipei CNA in English 1505 GMT
29 Jun 90

[Text] Chiang Kai-shek International Airport, June 29 (CNA)—Overseas dissident leader Trong Chai (Tsai Tung-jung) returned to the Republic of China on Taiwan Friday and headed straight for his town of Putai in Chiayi County, in central Taiwan.

Upon his arrival, Trong Chai said he returned here mainly to attend his sister-in-law's funeral. The leader of an exiled group calling for a Taiwan independent of China denied that he had been part of an attempt to assassinate the late President Chiang Ching-kuo when he visited the United States in 1970.

Asked if he would participate in political activities, Trong said he did not have any plans. He added, however, that after the funeral he wanted to learn [words indistinct] about Taiwan' problems.

National Affairs Conference Opens 28 Jun

Parliamentary Reform Viewed

OW2906154990 Taipei CNA in English 1608 GMT
28 Jun 90

[Text] Taipei, June 28 (CNA)—Discussions on parliamentary reform during the first national affairs conference Thursday saw differences of views between the ruling Kuomintang [KMT] and the major opposition, the Democratic Progressive Party [DPP].

During five sets of group discussions, most KMT participants recommended that the current five-branch government system be continued in order to maintain political ability and to smooth the government's reform progress.

But all DPP participants, and most independents and local and Overseas Chinese scholars suggested the current system be replaced by a three-branch system of government.

They recommended disbanding the National Assembly and the Control Yuan to form a unicameral parliament and to incorporate the Examination Yuan into the Executive Yuan.

As to "three quotas" for women, professional groups and Overseas Chinese communities, and for "mainland representatives" in the parliament, the lines were also largely drawn between those who suggested abolishing the two parliamentary bodies and those who advocated maintaining them.

Noteworthy was a suggestion by three ranking KMT officials that an election of national assemblymen be held in the second half of next year that would either elect 385 new national assemblymen or add 29 newly elected members to the current 84 locally elected incumbents.

Vice Premier Shao Chi-yang, secretary general Ma Ying-jeou of the cabinet ad hoc mainland affairs committee, and KMT Deputy Secretary General Cheng Hsin-hsiung put forward the suggestion with the expectation that the coalition of grand justices recent ruling on the senior parliamentarians would be honored.

The council decided that all senior parliamentarians elected 40 years ago on mainland China should retire before the end 1991 to make way for locally elected members.

Three KMT leaders also suggested that the term of office for those newly elected assemblymen be shortened to four years to correspond with the [date indistinct] presidential election.

KMT Secretary General James Soong, a member of the third group, did not voice his opinions on any of the issues being debated, saying that for him "listening is more important than speaking." He told reporters that the KMT would pay attention to "all world trends," but that the [word indistinct] should consider "social costs and national interests" before adopting any [word indistinct] suggestions.

Government System Debated

OW2906225090 Taipei CNA in English 1603 GMT
29 Jun 90

[Text] Taipei, June 29 (CNA)—Most participants on the second day of the national affairs conference said they supported the maintenance of the existing "duo-leadership" system based on the current five-branch government system.

Only a few supported the adoption of a presidential system, while other delegates [word indistinct] for adopting a cabinet system.

The majority view was that during the "transition" from a presidential to a cabinet system, a "cohabitation" system with power shared by the president and the premier would best serve the country.

After a heated debate, the majority of participants said that the direct election of the president would require an election with good grounding in democratic politics, while the cabinet system had to base on sound party [word indistinct].

Both were not feasible [words indistinct] the participants concluded. "Continuity of the existing duo system" thus became their [word indistinct].

As to local autonomy, almost all participants agreed that the election of the provincial governor and the mayors of Taipei and Kaohsiung, the two metropolitan cities, should be implemented as soon as possible.

Most other participants in the fourth discussion group recommended that a local government be given enough power as well as funds to honor the spirit of the Constitution.

In the first group, DPP members, independents and some Overseas Chinese scholars proposed that Taiwan be reorganized into six provinces, two municipalities, and one special district (Kinmen and Matsu), and town, hsiang, and city level governments be abolished.

But Kuomintang members opposed the proposal on the grounds that the Legislative Yuan would have to revise the laws on local governments, a move that would "extract too high social cost."

The KMT participants, however, agreed that local administrative areas should be redistricted and personnel as well as financial structures be modified so as to better balance local developments and benefit rural residents.

Several ranking KMT officials, including Shih Chi-yang, Ma Yim-jeou and Cheng Hsin-hsiung, agreed that the direct popular election of the provincial governor was broadly supported by the people, but that timing for holding such elections must be "carefully considered."

Mainland Official Cited on Help to Join GATT

*OW0107181790 Taipei International Service
in English 0200 GMT 29 Jun 90*

[Text] A spokesman for the Communist Chinese Ministry of Foreign Economic Relations and Trade has said that Peking will help Taiwan join the GATT, but only after it becomes a member first.

Speaking to a group of Taiwan businessmen, the spokesman said Peking will hold talks with Taiwan to decide the name under which it will apply for GATT membership.

He said that once a consensus is reached, Peking will lobby for Taiwan's admission.

The Republic of China's [ROC] application to the international trade organization has been shelved due to

opposition from Peking which is also seeking membership. Since most GATT members already have diplomatic ties with Peking, a motion was passed last year to shelve Taiwan's application as well. Even though Taiwan did not seek to represent all of China, the ROC has applied as the customs territory of Taiwan, Penghu, Quemoy, and Matsu. The ROC on numerous occasions has suggested the idea that Peking should be first allowed into the organization before Taiwan's application can be considered, and that politics and economics should be independent to each other.

Taiwan Signs Agriculture Accord With Lesotho

*OW2906230090 Taipei CNA in English 1502 GMT
29 Jun 90*

[Text] Taipei, June 29 (CNA)—The Republic of China signed an agricultural cooperation agreement with Lesotho on June 25, the Ministry of Foreign Affairs announced Friday.

A foreign wire service report from Maseru, Lesotho, said that the South African country had signed an agriculture agreement with communist China.

[Name indistinct], ministry spokesman, stressed that the report was wrong. It was the Republic of China [ROC], not communist China, that had inked the cooperation pact with Lesotho, he noted.

The ROC resumed full diplomatic relations with Lesotho in April, 1990.

ROK, Taiwan Discuss Trade Deficit With Japan

*OW0207043890 Taipei CNA in English 0240 GMT
2 Jul 90*

[Text] Taipei, July 2 (CNA)—The Republic of China [ROC] and the Republic of Korea will discuss ways to reduce their trade deficits with Japan in an economic cooperation meeting slated for August, the Board of Foreign Trade (BOFT) said Sunday.

South Korea registered a trade deficit with Japan of about four billion U.S. dollars in both 1988 and 1989; during the same years, the ROC trade deficits with Japan were six billion U.S. dollars in 1988 and seven billion U.S. dollars in 1989.

BOFT urged the two countries to expand trade as trade between them now accounted for a mere two percent of each other's total trade and thus still left much room for expansion.

During the economic meeting, BOFT, on behalf of the Republic of China, will recommend that the two countries try to purchase from each other items that are now imported from Japan.

In addition, the two countries should share with each other the effective countermeasures adopted to reduce their trade deficits with Japan, BOFT noted.

Hong Kong

'One Country, Two Systems' Seminar Held

OW0207061690 Beijing XINHUA Domestic Service
in Chinese 1216 GMT 30 Jun 90

[By reporter Zhong Liqiong (6988 7787 8825)]

[Text] Hong Kong, 30 Jun (XINHUA)—A seminar entitled "Making Vigorous Efforts To March Toward 'One Country, Two Systems,'" sponsored by a group of enthusiastic personages in Hong Kong society, opened in Hong Kong today.

Liu Yiu Chu [Liao Yaozhu], one of the principal sponsors of the seminar and deputy of the National People's Congress [NPC] from the Hong Kong region, said: The purposes of sponsoring the seminar are to enable people to understand better the concept of "one country, two systems," the Basic Law, and the ruling of Hong Kong by Hong Kong people; to study and make suggestions on the social life as well as important construction in various fields during the transitional period in Hong Kong; and to do a good job preparing for the establishment of the Hong Kong Special Administrative Region.

Liu Yiu Chu said: Since we have come to understand that the concept of "one country, two systems" is the guiding principle and policy of our own country and that it is the first responsibility of our people and government to ensure its success, we should take the lead in persuading more people to dedicate themselves heart and soul to the preparatory work. On the one hand, the people should clearly understand the objectives; and, on the other hand, they should closely unite together. We welcome any individual and group, including residents, investors, foreign businessmen, tourists, and foreign diplomats stationed in Hong Kong, who contribute to Hong Kong's stability and prosperity and who support the concept of "one country, two systems," to join our camp. Hong Kong's success depends on everyone's efforts. The more people in Hong Kong who participate in this kind of preparatory work of their own accord, the more assured the success will be of the ruling of Hong Kong by the Hong Kong people in accordance with the concept of "one country, two systems," and the more a high degree of self-government can be manifested under the Basic Law of the Hong Kong Special Administrative Region.

In delivering a speech at the opening ceremony of the seminar, Zhou Nan, director of the Hong Kong branch of the XINHUA NEWS AGENCY, said: Learning how to make the "two systems" coexist in peace and harmony and cooperate with each other to achieve the objective of common prosperity under the precondition of "one country" is a topic that needs meticulous deliberation. We deserve to feel gratified from the fact that, at present, many prominent figures, both in Hong Kong and on the mainland, have begun to study and explore this aspect from different angles. Zhou Nan zealously expressed his hope that people of all social strata in Hong Kong would

unite under the banner of love for our country and love for Hong Kong and make positive suggestions on how to combine the favorable conditions of the two places, expand their close cooperation at higher levels, and promote common development and prosperity.

In addressing the opening ceremony, Jian Fuyi [4675 4395 7392], member of the National Committee of the Chinese People's Political Consultative Conference, said: The missions to be undertaken by those who love the motherland and Hong Kong will be very important and arduous ones, no matter whether they are undertaken during the second half of the transitional period in Hong Kong or in the future of the special region of Hong Kong. One principal mission among them is to encourage patriotism among the people in Hong Kong, so that they may pool the wisdom and efforts of everyone and be dedicated heart and soul to the tasks of consolidating stability and unity in Hong Kong at present and in the future. They should also set a solid foundation for the future of Hong Kong and promote the implementation of the concept of "one country, two systems."

The seminar is scheduled to last for two days. Over 20 personages will deliver speeches on four special topics: the economy; the law; cultural, educational, and professional training; and major capital construction projects.

Zhou Nan's Speech

HK0107062490 Hong Kong WEN WEI PO in Chinese
1 Jul 90 p 11

["Full Text of Zhou Nan's Speech at the Symposium on 'One Country, Two Systems'"]

[Text] Chairman:

Ladies and Gentlemen:

Today, the symposium on "Taking Positive Steps toward 'One Country, Two Systems'" was inaugurated. I am glad to be invited to attend this meeting and to exchange opinions with other participants. I would like to take this opportunity to express my regards to all guests here and extend warm congratulations to this meeting.

"One country, two systems" is a creative conception and a long-term strategic policy decision put forward by the Chinese government according to the spirit of seeking truth from facts and on the basis of giving full consideration to Hong Kong's historical background and present conditions. It has laid a solid foundation for maintaining Hong Kong's stability and prosperity and promoting the motherland's reunification. Therefore, it has won the support of the entire Chinese people, including the Hong Kong compatriots, and has also been highly praised in the international community. The formulation of the "Basic Law for the Hong Kong Special Administrative Region" indicated that the grand blueprint of "one country, two systems" was successfully drawn up. How to put the blueprint of "one country, two systems" into

smooth practice after 1997 is a question that people in various circles of Hong Kong are generally concerned about. In a previous period, people in various circles of Hong Kong actively introduced and explained the Basic Law to the broad masses of residents. In this process, they began to consider this question.

As we all know, "one country, two systems" is an unprecedented, new thing. No ready example can be found and followed in history or in other countries in the contemporary times. Therefore, we should learn how to make the "two systems" get along in good terms under the premise of "one country" and to achieve the objective of common prosperity through mutual assistance and cooperation. This is indeed a question we should seriously study. That is to say, we should consider how we are going to pursue the "two systems" under the premise of "one country" or how we are going to seek the common points within "one country" and reserve the differences between the "two systems." Concretely speaking, under the premise of safeguarding the motherland's unification and territorial and sovereignty integrity and jointly safeguarding the dignity of the Chinese nation, the two sides should promote their mutual understanding and mutual respect and should keep from interfering in the other side's social system and life style. In a more positive sense, they should build up fraternally cooperative relations, promote common prosperity, and make major contributions to the regeneration of the Chinese nation. To put it in a nutshell, we should fully mobilize and give full play to all positive factors and overcome negative factors in order to ensure the all-round and conscientious implementation of the brilliant policy decision of "one country, two systems." This is an important and urgent task, because there are only seven years from now to 1997. A gratifying fact is that many people in Hong Kong and on the mainland have begun to approach and study this question from various angles. They have contributed their wisdom and strength to the successful implementation of "one country, two systems" through writing books, giving lectures, offering advice, or putting forward proposals. At this important moment, the holding of the symposium on "Taking Active Steps toward 'One Country, Two Systems'" was a timely step of great significance. I believe that you will certainly achieve positive results through your valuable efforts. We also ardently hope that people in various circles, trades, and social strata will unite and cooperate under the banner of loving the motherland and loving Hong Kong and will actively put forward advice and proposals for establishing harmonious relation between the two sides under the premise of "one country," merging the advantages of both sides, developing the close cooperation between the two sides at a higher level, and promoting common development and cooperation. I believe that with the strong support of the entire 1.1 billion Chinese people, including the Hong Kong compatriots, "one country, two systems" will certainly succeed. Our current generation of Chinese people will make great contributions to human civilization like the predecessors of the Chinese nation!

Finally, I was told that your symposium will be held in the same period of every year in the future. So I sincerely wish that your meeting will be more and more successful, deepgoing, and fruitful, and will really achieve the lofty goal of "taking positive steps toward 'one country, two systems.'"

Thank you!

Issues Need 'Meticulous Deliberation'

OW0107055990 Beijing XINHUA in English
0148 GMT 1 Jul 90

[Text] Hong Kong, July 1 (XINHUA)—A seminar on the topic of "Marching to One Country, Two Systems" opened here Saturday, with the aim of promoting Hong Kong people's understanding of the concept and preparing for the establishment of the Hong Kong Special Administrative Region.

Liu Yiu Chu, one of the sponsors of the seminar, said, "We welcome all those people and forces that contribute to the stability and prosperity of Hong Kong and support the concept of 'one country, two systems' to join our ranks. The more people in Hong Kong voluntarily go into such preparations, the more assured will be the success of 'Hong Kong people ruling Hong Kong' in accordance with the concept 'one country, two systems'."

Zhou Nan, director of the Hong Kong branch of the XINHUA NEWS AGENCY, said in his opening address that "one country, two systems" is a new concept that has no precedent in history. "How to make the two systems coexist and cooperate in harmony towards mutual prosperity under the precondition of one country, is indeed an important issue which needs meticulous deliberation," he said.

Zhou expressed his hope that people of all walks of life in Hong Kong would unite under the banner of "love our motherland and love our Hong Kong". He encouraged local people to contribute their wisdom and efforts to a smooth transition.

David Sharnon, representative of the Australian Chamber of Commerce in Hong Kong, said, "The Australian Chamber of Commerce welcomes many positive and encouraging provisions contained in the Basic Law, and in particular, those provisions which seek to maintain Hong Kong as an international business center and as a business gateway to China.

"There is no other legal constitution in the world which provides these guarantees. The (Sino-British) Joint Declaration and the Basic Law contain obligations and assurances which China has freely and willingly given. And we have every confidence that they will be honored."

Other speakers urged the local community to work closely to carry out the arduous task of laying a solid foundation for establishing the future Hong Kong Special Administrative Region.

During the two-day seminar, about 20 speakers will give their opinions on the development of local economy, legal system, culture and education and major construction projects such as the proposed new airport.

Hong Kong Economic Recovery in Sight

OW2806120190 Beijing XINHUA in English
0943 GMT 28 Jun 90

[Text] Hong Kong, June 28 (XINHUA)—The Bank of China has predicted that Hong Kong could finish the year with a real economic growth rate of 3.5 percent, higher than the three percent growth rate forecast by the Hong Kong Government.

The latest quarterly report prepared by the research department of the bank's Hong Kong-Macao regional office said: "Hong Kong's economy has bottomed out from the depressed state in the six months to March." "The toughest time is now over, a rebound is in sight," it added.

The report also predicted 7.9 percent and 12 percent growth respectively in Hong Kong's domestic exports and re-exports.

The increase was attributed partly to the recovery of the Chinese mainland's economy, which would lead to a higher demand for imports and re-exports from Hong Kong.

The number of tourists visiting Hong Kong was expected to grow by 10 percent for the full year.

However, the report believed that inflation in Hong Kong in the second half of this year would remain high, at about nine percent for the full year.

Relocation of Hong Kong's Manufacturing Analyzed

OW3006211290 Beijing XINHUA in English
1447 GMT 30 Jun 90

[Text] Hong Kong, June 30 (XINHUA)—Hong Kong should continue to move labor-intensive manufacturing industries to southern Chinese mainland in the face of rising labor and land cost, according to the Hang Seng Bank Ltd.

The bank's latest issue of the HANG SENG ECONOMIC MONTHLY described the relocation as "an expedient way" for Hong Kong to maintain its export competitiveness and "an optimal restructuring strategy" for Hong Kong's manufacturing sector.

It noted that the large scale migration of production to the mainland has not severed the manufacturing sector's important linkages with other sectors of the economy.

The proximity of production sites across the border has enabled much of the ancillary activities, like finance and transport, to continue to be performed in Hong Kong, it added.

The monthly said moving labor-intensive manufacturing industries to the mainland has actually boosted activities in other sectors and served as stimulus to Hong Kong's economic expansion.

Noting the relocation which has resulted in declining output and employment shares for Hong Kong's manufacturing sector, the monthly said this must be seen in the broader context of the economy's transition to a service center.

By releasing resources for the expansion of the service sector, the large scale relocation of production has served to facilitate this process and enabled Hong Kong's economy to enhance its role as the region's leading commercial and transport center, it added.

The monthly believed that the trend of relocating the labor-intensive and low value-added production to the surrounding provinces in the mainland will be continuing.

Macao

Melancia Rebukes PRC Officials For Interference

HK2906031190 Hong Kong SOUTH CHINA
MORNING POST in English 29 Jun 90 pp 1, 2

[by Adam Lee]

[Text] Macao Governor Mr Carlos Melancia has publicly rebuked Chinese officials for "trying to interfere" in the enclave's internal affairs.

He expressed concern over changes in Sino-Portuguese relations.

He warned that the recent reaction from China was "just like a thermometer, which forecasts something would happen here just like what has happened in Hong Kong."

He said problems had arisen due to a difference in the philosophies of the East and the West.

"But in fact, the problems in Macao are only tenth of those in Hong Kong," he said.

Mr Melancia's remarks came after he met the Portuguese President, Dr Mario Soares, and the Prime Minister, Dr Cavaco Silva, indicating that his words had their blessing.

Speaking in Lisbon after an hour-long meeting with Dr Silva, who is also responsible for Portugal's foreign affairs, Mr Melancia said some remarks on Macao affairs by Chinese officials in the past two months had been worrying, because "these matters are the responsibilities of Macao Government."

The night before his meeting with Dr Silva, Mr Melancia had dined with Dr Soares.

Reports from Lisbon said Mr Melancia had suggested to Dr Soares that measures must be taken to improve relations between Portugal and China.

The governor will have another meeting with Dr Soares today before returning to Macao.

Mr Melancia told reporters outside the Prime Minister's office that leading a government during the transition period was a hard task.

He stressed that the Macao Government was responsible for staging a "most perfect" show when the territory reverted to China on December 20, 1999.

Mr Melancia said he was worried about the recent change of attitude of Chinese officials on Macao affairs.

Chinese officials were "trying to interfere with Macao's internal affairs" and the Macao Government must clarify the responsibilities between the two sides, he said.

He pointed out that Mr Lu Ping, a deputy director of the Hong Kong and Macao Affairs Office of Beijing's State Council, had voiced his objections about the name of the Taipei Trade and Tourism Office in Macao.

Mr Lu had described the office as an "official or semi-official" establishment of the Taiwan Government and insisted that the word "office" be changed.

Mr Melancia also noted that Mr Lu had criticised the government for keeping the monument of Joao Ferreira do Amaral, which the Chinese regarded as "a symbol of colonialism."

The monument was erected in June 1940 to commemorate the late Governor Do Amaral, who served in Macao between 1846 and 1849.

He was ambushed and killed by Chinese peasants for "trying to set up free trade and open new roads" to China and was described as "one of the most outstanding governors of Macao" in a Macao tourist pamphlet.

The monument, which features a bronze statue of the late governor riding a horse and raising his sword, stands outside the Hotel Lisboa on the approach to the Macao Taipa Bridge.

Mr Melancia said he felt these incidents were "very strange" and suspected that relations between Macao and China were changing, because the Chinese remarks were "very deliberate."

The governor's remarks were made at a time when the Macao civil service appeared frustrated by China's repeated criticisms.

Before Mr Melancia's visit to Lisbon, the Under-Secretary for Justice Affairs, Dr Manuel de Magalhães, e

Silva, resigned because he believed "some guiding thoughts" on Sino-Portuguese relations affected his execution of the powers vested in him.

Dr Magalhães, e Silva came under pressure after China objected to the new Chinese translation of the name of the Macao Organic Statute.

Although the statute is Macao's de facto constitution, China took issue with the new Chinese name, which literally calls it a constitution rather than a direct translation as an organic statute.

Last night, officials at the NEW CHINA NEWS AGENCY's Macao branch, China's de facto embassy in the enclave, refused to make any comment, saying they were waiting for detailed reports from Lisbon.

Macao Legislative Assembly deputy, Mr Lau Kwong-po, said he was aware of China's objection to the Taipei Trade and Tourism Office, but knew nothing about the monument.

Interference Charge Viewed

OW0207004790 Beijing International Service
in Mandarin 0900 GMT 1 Jul 90

[Text] Zhou Nan, director of the XINHUA branch in Hong Kong, said yesterday that China's Hong Kong and Macao policies are based on long-range strategic considerations.

He said: China and Britain and China and Portugal should cooperate closely in dealing with all issues relevant to Hong Kong and Macao. Differences in opinions should be settled through consultations, he said.

Zou Nan made the above statement at a symposium after being asked to comment on the recent charges made by Macao Governor Melancia in Lisbon that China was interfering in Macao's affairs.

Zou Nan added that he had told his British friends that differences in opinions should be settled through consultations, and that negotiations through the media would not help settle issues. This also applies to the Portuguese side, he said.

PRC Dismisses Charges

HK0107040890 Hong Kong SOUTH CHINA SUNDAY
MORNING POST in English 1 Jul 90 p 2

[By Caitlin Wong]

[Text] The head of China's de facto embassy in Hong Kong, Mr Zhou Nan has rejected allegations by Macao Governor, Dr Carlos Melancia, that China has been interfering in Macao's internal affairs.

Mr Zhou, director of the New China News Agency, said differences between China and Macao should be settled through diplomatic channels.

"I think both sides should co-operate with each other in different matters. But if differences in opinions emerge, they could seek to carry out negotiation through diplomatic means," he said.

He said China applied the same policy towards Macao and Hong Kong, and would implement the "one country, two systems" concept with consideration to the historical differences between the two territories.

Mr Zhou was speaking at the opening of a symposium on "one country, two systems".

He also called for more Sino-Hong Kong co-operation to ensure the successful implementation of the formula.

He called on "all parties" in Hong Kong to work with China towards harmonious co-existence under the principles of mutual understanding, mutual respect and non-intervention.

"And (we also have) to positively build up a brotherhood kind of co-operation (between Hong Kong and China) to promote our mutual prosperity and contribute to the strengthening of the Chinese race," he said.

"I think it is important that all parties work together to create a good atmosphere for co-operation."

On civil service dissent, Mr Zhou felt there was no reason to worry.

He said China had a good track record of abiding by international agreements so the civil servants should have confidence in Hong Kong's future.

The two-day symposium which ends today is called a "positive Approach to One Country, Two Systems", and is being held to mark the seven-year countdown to July 1, 1997.

Yesterday's opening session featured 10 speakers on Hong Kong's post-1997 economic development and legal system.

Mr Wong Po-yan, former Basic Law Drafting Committee (BLDC) member, said Hong Kong had to maintain its international status and make the "one country, two systems" formula work.

Legislative Councillor, Mr Ngai Shiu-kit, called on Hong Kong not to be confined by the principle of non-intervention and establish closer ties with China.

He pointed to the interdependence of the two places saying that antagonism was "unconstructive" and should be replaced by "a tolerance for criticisms."

Another Legislative Councillor, Mr Stephen Cheong Kam-chuen, who is also a former Basic Law Consultative Committee member, said Hong Kong would have to participate more in the development of the Asian region in the future in the face of competition from Eastern Europe and a united Common Market.

In this respect, he said, Hong Kong could not leave out China as it provided a vast hinterland of resources.

He called on Hong Kong people to put the June 4 massacre behind them and overcome their fear of the future, saying that it was short-sighted and unnecessarily simplistic to think that the incident would be repeated in the territory.

On the legal system, head of Hong Kong University's Department of Law, Dr Raymond Wacks said the common law system could be maintained in Hong Kong after 1997 only if there were protection of human rights and a government which had the general support of the people.

The continued use of English and the independence of the judiciary were also essential, he said.

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